



NATIONAL BANK OF RWANDA

ANNUAL REPORT

July 2012 - June 2013



OCTOBER 2013



NATIONAL BANK OF RWANDA



TABLE OF CONTENTS

GOVERNOR'S FOREWORD	12
EXECUTIVE SUMMARY	13
INTRODUCTION	16
CHAPTER I BNR CORPORATE GOVERNANCE	17
1.1 Mission, Vision and Values	18
1.2 Board Affairs	18
1.3 Internal Policy Committees	22
1.4 Internal Management Committees	23
1.5 Corporate Social Responsibility	26
1.6 Communication Strategy	27
CHAPTER II GLOBAL ECONOMIC DEVELOPMENTS	29
2.1 Economic Growth and Outlook	30
2.2 Inflation	31
2.3 World Trade	32
2.4 Financial Markets	33
2.5 EAC Member Countries	33
CHAPTER III: NATIONAL ECONOMIC PERFORMANCE	35
3.1 Economic Growth	36
3.2 Prices	38
3.3 External Sector	39
3.4 Public Finance and Domestic Debt	50
CHAPTER IV MONETARY SECTOR DEVELOPMENTS	55
4.1 Monetary and Exchange Rate Policy	56
4.2 Money Supply and Demand	56
4.3 Liquidity Conditions and Interest Rates Developments	57
4.4 Exchange Rate and Foreign Exchange Market Developments	58
4.5 Reserves Management	60
CHAPTER V FINANCIAL SECTOR STABILITY	67
5.1 Banking Sub-sector Performance	68
5.2 Microfinance Sub-sector Performance	70
5.3 Access to Finance	72
5.4 Non-bank Financial Institutions Performance	73
5.5 Regulatory and Supervision Framework	75
5.6 Credit Information System	75

CHAPTER VI: INTERNATIONAL COOPERATION	77
6.1 The EAC Monetary Cooperation and Financial Stability Initiatives	78
6.2 The COMESA Monetary Cooperation and Financial Stability Initiatives	79
6.3 The African Monetary Cooperation Initiatives	80
6.4 Collaboration With MEFMI	81
6.5 The East AFRITAC/IMF regional initiatives	82
6.6 Cooperation to Build Macroeconomic Models	82
CHAPTER VII CURRENCY MANAGEMENT AND BANKING OPERATIONS	85
7.1 Currency Management	86
7.2 Banking Cooperations	87
7.3 Government Cashier	88
7.4 Combatting Counterfeits	88
CHAPTER VIII: PAYMENT SYSTEMS MODERNISATION	91
8.1 Rwanda Integrated Payments Processing System	92
8.2 Card based Payment System and E-Commerce	92
8.3 Visa National Net Settlement System and International Acquiring	93
8.4 Mobile Financial Services, Internet Banking and E-tax Payment	93
8.5 Remittances Service Providers	94
8.6 Regional Connectivity	95
8.7 Cheque Truncation and Combatting Fraud	95
8.8 Oversight of Payment and Securities Systems	96
CHAPTER IX SUPPORT ACTIVITIES	97
9.1 ICT Systems Modernisation	98
9.2 Infrastructure Modernization	103
9.3 Human Resources Management and Development	103
9.4 Internal Control	104
CHAPTER X FINANCIAL PERFORMANCE	105
10.1 Financial Performance Overview	106
10.2 Audited Financial Statements	110
APPENDICES	157



LIST OF TABLES

Table 1: World Economic Growth Developments (annual real growth rates)	30
Table 2: Annual Inflation Developments in %	31
Table 3: World Trade Developments (annual % change)	32
Table 4: Annual Inflation in EAC Countries in %	34
Table 5: Real GDP Growth Rates at Constant 2006 Prices, Financial Years ending June, in %	37
Table 6: Annual Headline Inflation (% change in CPI, base Feb.2009:100)	38
Table 7: Overall and Underlying Price Developments (% change in CPI, base Feb.2009=100)	39
Table 8: Major Balance of Payment Components Developments (in USD million)	39
Table 9: Export Developments (value FOB in million of USD, Volume in thousands of tons)	40
Table 10: Major Exports Developments (Value FOB in USD million and Volume in thousands of tons)	41
Table 11: Evolution of Some Non-traditional Exports (Value FOB in USD million and Volume in thousands of tons)	42
Table 12: Rwanda informal Cross Border Trade (in USD million)	43
Table 13: Evolution of Imports CIF Adjusted (Value CIF in USD million, Volume in thousands of tons)	43
Table 14: Evolution of Services and Incomes (in USD million)	46
Table 15: Net Current Transfers (in USD million)	47
Table 16: Evolution of Capital and Financial Account (in USD million)	47
Table 17: Stock of External Public Debt (in USD million)	48
Table 18: Structure of External Public Debt by Currency of Borrowings (in USD million)	49
Table 19: Development of Disbursements (in USD million)	49
Table 20: Developments of External Debt Service (in USD million)	50
Table 21: Operations of the Central Government, in RWF billion	51
Table 22: Rwanda Thresholds for External Debts	52
Table 23: Monetary Aggregates Development in FRW Billion	56
Table 24: Outstanding of Liquid Assets of Commercial Banks (in FRW billion)	57
Table 25: Interest Rates (in %)	58
Table 26: BNR's Credit Exposure Evolution (in % of total reserves)	63
Table 27: Performance Achievement (in FRW billion)	69
Table 28: Key Soundness Indicators (in percentage)	69
Table 29: MFIs Performance Indicators (UMURENGE SACCOs included, FRW in billion unless otherwise stated)	70
Table 30: UMURENGE SACCO Performance Indicators (in FRW billion unless otherwise stated)	71
Table 31: UMURENGE SACCOs Premises and IT Equipment	72
Table 32: Outreach in Microfinance Sub-sector	72

Table 33: Financial Soundness Indicators for the Insurance Sector (FRW billion unless otherwise indicated)	74
Table 34: Public Pension Sector Financial Indicators (in FRW billion unless otherwise indicated)	75
Table 35: Banknotes Issued (FRW million)	86
Table 36: Coins Issued (FRW thousands)	86
Table 37: Banking Operations (FRW million)	87
Table 38: BNR Branch Operations (in FRW thousands)	88
Table 39: Fake Notes Seized	88
Table 40: Cards Payment Infrastructure and Performance	93
Table 41: International Acquiring	93
Table 42: Statistical Data on Electronic Means of Payments	94
Table 43: Statistics on Remittances	94
Table 44: Summary of Financial Result Performance	106
Table 45: Revenue Income	106
Table 46: Operating Expense	107
Table 47: Statement of Comprehensive Income	108
Table 48: Statement of Financial Position as at 30 June 2013	109



LIST OF FIGURES

Figure 1: Structure of Imports Developments (value in USD million)	45
Figure 2: Evolution of Rwanda's Trade with EAC (in USD million / 2006-2012/2013)	45
Figure 3: Evolution of Nominal Exchange Rate, Leading Currencies against USD	59
Figure 4: Real Effective Exchange Rate with ten Major Trading Partner Countries	59
Figure 5: BNR Sales to Banks (in USD Million)	60
Figure 6: Three Months Term Deposit Interest Rates	61
Figure 7: USD Interest Rate	62
Figure 8: Two Years Bond Rate	62
Figure 9: Rwanda Eurobond Price and Yield	64
Figure 10: Number of Accounts in Microfinance Sector	73
Figure 11: Planned Data Warehouse for BNR	101

LIST OF APPENDICES

- Appendix 1: Major Indicators of National Economy
- Appendix 2: Gross Domestic Product by branch of activity (nominal)
- Appendix 3: Gross Domestic Product by branch of activity (real)
- Appendix 4: Uses and Resources of GDP (nominal)
- Appendix 5: Monthly Evolution of Consumer Price Index
- Appendix 6: Monthly Evolution of Producer Price Index
- Appendix 7: Consolidated Financial Operations of the Central Government
- Appendix 8: BNR's Balance Sheet
- Appendix 9: Balance Sheet of Other Depository Corporations
- Appendix 10: Monetary Survey
- Appendix 11: Consolidated Balance Sheet of Other Financial Intermediaries
- Appendix 12: Banking Survey
- Appendix 13: Outstanding loans by sector of activity
- Appendix 14: New Authorised loans by sector of activity
- Appendix 15: Interest Rates Structure
- Appendix 16: Average Exchange Rates of the selected major Currencies
- Appendix 17: Stock of External Public Debt
- Appendix 18: Development of Disbursements
- Appendix 19: Development of External Debt Service
- Appendix 20: Balance of Payment
- Appendix 21: Rwanda's Exports
- Appendix 22: Rwanda's Imports
- Appendix 23: Services and Income
- Appendix 24: Transfers
- Appendix 25: Capital and Financial Account
- Appendix 26: Available Financing



ABBREVIATIONS

AACB:	Association of African Central Banks
AfDB:	African Development Bank
AMCP:	African Monetary Cooperation Programme
AMEX:	American express
ATM:	Automated Teller Machine
BNR:	National Bank of Rwanda
BOP:	Balance of Payments
CCNA:	Cisco Certified Network Associate
CCNP:	Cisco Certified Network Profession
CEH:	Certified Ethical Hacking
CHFI:	Certified Forensic Investigator
CIEA :	Composite Index of Economic Activities
CMI:	COMESA Monetary Institute
COMESA :	Common Market for Eastern and Southern Africa
CPI:	Consumption Price Index
CPU:	China Union Pay
CRB:	Credit Reference Bureau
EAC:	East African Community
EAISA:	East Africa Insurance Supervisor's Association
EAPS:	East African Payment System
EDPRS:	Economic Development and Poverty Reduction Strategy
ERP:	Enterprise Resource Planning
FDI:	Foreign Direct Investment
FSC:	Financial Stability Committee
G&NFS:	Good and Non Factor Services
GDP:	Gross Domestic Product.
ICT:	Information and Communication Technology
IIP:	Index of Industrial Production
IMF:	International Monetary Fund
INES :	Institut pour Education Supérieure (INES Ruhengeri)
JCB:	Japanese Credit Bureau
KRR:	Key Repo Rate
MEFMI:	Macroeconomic and Financial Management Institute of Eastern and Southern Africa
MFIs:	Micro Finance Institutions
MFSF:	Multilateral Fiscal Surveillance Framework
MINAGRI:	Ministry of Agriculture
MINECOFIN:	Ministry of Finance and Economic Planning
MPC:	Monetary Policy Committee
MPIC:	Monetary Policy Implementation Committee
Mvisa:	Mobile visa
NDA:	Net Domestic Assets
NFA:	Net Foreign Assets

NISR: National Institute of Statistics, Rwanda
NPLs: Non Performing Loans
NPS: National Payment System
NUR: National University of Rwanda
PAT: Portfolio Analytic Tool
POS: Point of sale
PPI: Producer Price Indices
PR: Public Relation
PSI: Policy Support Instrument
RAMP: Reserves and Advisory Management Program
REPO: Repurchase Agreement Operations
REPPS: Regional Payment Processing and Settlement System
RIPPS: Rwanda Integrated Payment Processing System
RMP: Risk Management Program
RoA: Return on Assets
RoE: Return on Equity
RRA: Rwanda Revenue Authority
RSP: Remittance Services Providers
RTGS: Real Time Gross Settlement System
TA: Technical Assistance
TOR: Terms of Reference
ULK: Université Libre de Kigali
USA: United States of America
USAID: United States Agency for International Development
VAT: Value Addition Tax
WTO: World Trade Organization

GOVERNOR'S FOREWORD



It is an honour and privilege to present to you the National Bank of Rwanda annual report, my very first as new Governor. From the onset, I wish to sincerely congratulate my predecessor, Honourable Ambassador Claver Gatete from whom I took over in February 2013, for the solid foundation he laid for the achievements we are proud to report herein.

The financial year 2012/2013 was challenging for decision makers in monetary, financial and economic fields worldwide. Global financial market volatility continued, following the combined effect of subdued economic growth, weak demand, and sovereign debt issues in some countries, as well as unconventionally low interest and quantitative policies adopted by Central Banks in leading economies.

It is gratifying to see that, despite the challenging international economic environment and disruption in donor funds inflows, the national economy continued to perform well, growing by 9.1% in 2011/2012 and 6.8% in 2012/2013. The FRW managed to remain relatively stable vis-a-vis USD, only depreciating by 1.8% between December 2012 and June 2013 against 4.5% in 2012. The National Bank of Rwanda succeeded to achieve its main mandate of price stability and financial sector stability, ensuring that inflation was contained below 5% while all financial sector soundness indicators were in good shape.

Looking forward, the Bank will continue safeguarding prudent monetary policy and well-coordinated economic policies as challenges and uncertainties in the economic environment are likely to remain in the near future. The Bank will step further its efforts to develop research, modeling and analytical capabilities. Furthermore, the Bank will ensure modern management information systems such as Core Banking, Enterprise Resource Planning (ERP) and Data Warehouse are completed to support efficiency and effectiveness.

As we reflect on the past performance of the Bank, we wish to take this opportunity and express our sincere gratitude to our key domestic and international partners in managing our economy.

I wish you an enjoyable reading.



John RWANGOMBWA
Governor

EXECUTIVE SUMMARY

In the financial year 2012/2013, Rwanda's economy continued to evolve in a challenging international economic environment marked by weak demand and financial market volatility.

According to IMF, global economy is expected to grow by 3.1% by end 2013, the same level as in 2012, with 5.0% in emerging and developing countries and 1.2% in developed economies.

Inflationary pressures remained low in most of developed countries while volatile in emerging and developing countries.

Consistent with slow global economic growth, the growth in world trade volume of goods and services was expected to remain sluggish at 3.1% through 2013. To support economic activity, interest rates were kept at very low levels in major developed countries.

Due to persistent global economic and financial challenges and uncertainties around donors' inflows as well as adverse weather conditions which affected the agriculture sector, Rwandan economic growth slowed down to 6.8% in the financial year 2012/2013 from 9.1% in the previous financial year, driven by the industry sector which increased by 11.3% from 12.4% in the previous financial year.

Sustained by traditional and non-traditional products representing 56% and 44% respectively, exports value increased by 33.9% on annual basis against 6.3% for imports. Following good performance in exports, the imports cover improved to 27.5% in the financial year 2012/2013 from 19.0% in the previous corresponding period. Including informal cross border trade, exports covered 32.5% of imports from 23.6% of previous year. Despite external grants declined by 20.2% compared to the previous year, Rwanda recorded a positive Balance of Payments estimated at USD 210.96 million against a deficit of 195.50 million the previous financial year. This positive Balance of Payments was a result of the proceeds from the Euro bond.

The trade with EAC region declined by 16.8% from USD 788.10 million to USD 655.88 million for the previous financial year with a growth of 25.6% in exports and a decline of 23.1% in imports resulting in the narrowing of the trade deficit from USD 583.47 million to USD 398.84 million.

Good performance in real sector has been achieved with moderate inflation. Indeed, annual headline inflation decelerated from 5.9 % in June 2012 to 3.7% in June 2013.

With regard to exchange rate policy, the Bank continued to maintain a flexible exchange rate regime intervening on domestic foreign exchange market by selling foreign exchange to banks to smoothen the FRW exchange rate volatility. After a depreciation of the FRW by 4.5% against USD at the end 2012 due to uncertainties around donor support, the FRW has regained its stability in the first half of 2013 depreciating by only 1.8%. On annual basis, the FRW depreciated by 4.9% between June 2012 and June 2013.



The financial sector as a whole was sound and stable. The banking sub-sector continued to be profitable, liquid and well capitalized to sustain growth but also resilient to external shocks as a result of strengthened legal, regulatory and supervisory framework. Although some performance indicators recorded a declining trend essentially due to reinforcement of regulation on credit classification, almost all remained above the regulatory requirements. The solvency ratio stood at 23.1% end June 2013 against 25.1% end June 2012, well above the regulatory requirement of 15%. The non-performing loans (NPL) to total gross loans stood at 6.9% in June 2013 from 5.8% in June 2012. The return on assets and return on equity (profitability) stood at 2.1% and 9.9% respectively in June 2013 compared to 2.2% and 10.6% in June 2012 while the sector's liquidity position stood at 46.2% in June 2013 against 47.6% in June 2012 well above the regulatory requirement of 20%.

In addition, the total assets in the banking sub-sector recorded an increase of 14.2% mainly resulting from loans (on-balance sheet) with a growth of 17.7%, from FRW 669.2 billion end June 2012 to FRW 788.2 billion end June 2013.

The microfinance sub-sector (combining SACCOs) also continued to grow its balance sheet, realizing 28.7% asset growth. Concerning prudential norms, the Capital Adequacy Ratio (CAR), the liquidity ratio and the NPLs ratio stood at 31.5%, 89.3% and 8.9% respectively, well above the minimum regulatory requirement, except for NPLs, of 15%, 30% and 5% respectively. Furthermore, the SACCOs continued to play a significant role in expanding financial inclusion with an increase of 24.3% of gross loans moving from FRW 51.4 billion to FRW 63.9 billion.

The insurance sub-sector performance improved progressively reflecting the impact of the supervisory reforms undertaken in the insurance industry as well as of the coming into the market of two new licensed insurance companies. The total assets increased by 24%, from FRW 176.3 billion end June 2012 to FRW 219.4 billion end June 2013. The gross premiums increased by 18% from FRW 33 billion end June 2012 to FRW 39 billion end June 2013. The liquidity position of the insurers was strong with the current ratio of 308% from 267% as of end June 2012 well above the minimum current ratio regulatory requirement of 150%.

Concerning the pension sub-sector, assets and benefits paid increased respectively by 20% and 18%. Better prospects are expected after the enactment of the new pension law that will give rise to the establishment of private pension schemes.

With regard to the payment systems modernization, remarkable progress continued to be made in the use of Rwanda Integrated Payments Processing System (RIPPS) and retail payment systems. As a result, customers' transactions and interbank transfers through RTGS increased by 64% and 217% respectively, in terms of value, from June 2012 to June 2013.

Much progress was achieved in card based payment system. The number of ATMs increased by 39.2% from 232 to 323 while the number of POS devices increased by 78.2% from 666 in June 2012 to 1187 in June 2013. In the same period, the number of debit cards increased by 13.2%, from 389,269 to 440,875 while the number of credit cards increased by 182% from 418 to 1,179.

Three banks were operating POS devices with one of the Banks accepting Visa, MasterCard, China Union Pay (CUP), Dinners Club, Japanese Credit Bureau (JCB) cards and RSwitch proprietary cards. In addition, all commercial banks were offering e-tax payment service at the end of the reporting period. Furthermore, one company is offering e-commerce facilities to its clients.

Concerning regional connectivity, RIPPS was upgraded to enable linkage to Regional cross border Payment Systems; the COMESA Regional Payments and settlement system (REPSS) officially launched in December 2012 during Governor's meeting in Kigali and the East Africa Payment systems (EAPS) is still under test expected to be operational by the end of 2013.

The above achievements resulted among other things, from various facilities related principally to modernization of IT systems and physical infrastructure within the Bank as well as human resources management and development.

During the reporting period, the Bank embarked on a project to implement a new Core Banking and Enterprise Resource Planning system, a project that is expected to be completed before June 2014. The Bank further invested in improvement of its infrastructure by completing a new car park of 180 vehicles capacity and starting the construction of its four branch premises in the Northern, Western, Southern and Eastern Provinces of the country to be completed early next year.

Regarding human resources management and development, the Bank invested especially in the development of strategies to enhance the human resources management and organisational effectiveness reform agenda. In the framework of the Bank's capacity building plan, trainings and industrial attachments have been continuous. Thus, a number of staff has been registered in different professional courses while others are pursuing master's degrees and PhDs in areas of monetary policy and economic development.

In regard to corporate social responsibility the Bank has integrated social dimension in its business activities to contribute to a better society. Thus, the Bank has put in place a mechanism to support families of former staff killed in 1994 Genocide helping each one to get an income generating project.

Furthermore, the Bank contributed to Agaciro Development Fund for FRW 310 million of which FRW 30 million was from the Bank Budget and FRW 280 million was from its staff.

The National Bank of Rwanda's financial result for the financial year 2012/2013 has been a net profit of 13,436 million of FRW against 6,903 million for the previous period of 2011/2012.



INTRODUCTION

This report is prepared in accordance with article 65 of the law No 55/2007 governing the National Bank of Rwanda (BNR). It is formulated in line with the Bank's previous financial year performance across its functions and presents essentially the main objectives achieved by the Bank in regard with its main mandate for the financial year 2012/2013. It is the first report harmonized with the East African Community (EAC) reporting period.

The report is organized in ten (10) chapters. The first one presents the Bank's governance framework. The second and the third highlight the context of global and national economic environment in which the Bank delivered its mandate during the period under review. The sixth chapter highlights the country's performance with regard to international cooperation. The main objectives achieved by the Bank are presented in chapters four, five, seven, eight and nine while the last chapter (ten) shows the financial performance during the financial year 2012/2013. Statistical information related to the four macroeconomic sectors is enclosed to the report as annexes.

CHAPTER I

BNR CORPORATE GOVERNANCE



1.1 Mission, Vision and Values

The National Bank of Rwanda's vision is to become a world class central Bank contributing to economic growth and development.

According to article 5 of the law governing BNR, its main mission is to: Ensure and Maintain Price Stability; Enhance and Maintain a Stable and Competitive Financial System without any exclusion; and Support Government's General Economic Policies without damaging the two above-mentioned missions.

To achieve the mission described above, the Bank has the following functions:

- To define and implement the monetary policy;
- To organize, supervise and regulate the foreign exchange market;
- To supervise and regulate the activities of financial institutions;
- To supervise and regulate payment systems;
- To mint and manage currency;
- To hold and manage official foreign exchange reserves;
- To act as State Cashier;
- To carry out any other task that the law governing the Bank or another law may assign to the Bank.

The Bank's core values are Integrity, Accountability, Efficiency and Effectiveness.

1.2 Board Affairs

The Bank carries out its functions independently and it is accountable for its conduct of monetary policy and the use of its resources. It is managed by a Board of Directors composed of two executive members (Governor and Vice Governor) and other four non-executive members appointed by the Prime Minister's Order. The four non executive members are chosen among personalities with competence and wide experience in the monetary, financial and economic fields. In accordance with the law governing the National Bank of Rwanda (Law no.55/2007 of 30/11/2007), the Board is chaired by the Governor with the Vice Governor as Deputy Chairperson.

On February 25th, 2013, the Management of the Bank changed with the appointment of Mr. John Rwangombwa as new Governor and Chairman of the BNR Board of Directors.



Amb. Claver GATETE handing over to Mr. John Rwangombwa

On May 8th, 2013, the Board of Directors also got two new members, namely Dr. Alfred BIZOZA and Ms. Chantal HABİYAKARE replacing Dr. Uzziel NDAGIJIMANA and Ms. UWAMARIYA Odette who had completed their term of office.

Today the following are the Board members of BNR:

BOARD OF DIRECTORS



Mr. RWANGOMBWA John
Board Chairman



Dr. NSANZABAGANWA Monique
Board Vice Chairperson



Dr. BIZOZA Alfred
Board Member



Ms. HABİYAKARE Chantal
Board Member



Ms. KYATENGWA Lillian
Board Member



Mr. RUGWABIZA MINEGA Leonard
Board Member

Over the reporting period, the Board of Directors of BNR held four ordinary meetings and one extra-ordinary meeting. The Directors exercised their oversight and guidance role by reviewing policies and regulations, addressing organizational issues and enhancing corporate governance principles and control.

During the year under review, the Board had one active Committee which is Audit and Risk Board Committee. The Audit and Risk Committee is established to assist the Board in its oversight responsibilities with respect to internal and external audit, compliance and the implementation of the financial reporting.

The Audit Committee's role is critical to the governance of the Bank through its oversight role of the Bank operations. Through functions and responsibilities of better practice, the Audit & Risk Committee provided independent assurance and advised Management and Board of Directors in Risk management; Information Technology; Internal control; Financial statements; Compliance Requirements; Internal Audit; External Audit and other relevant functions including review of the bank's governance arrangement, performance framework; relevant committee reports and recommendations.

A number of recommendations were made and implemented enhancing performance and value addition to achievements of the operations of the Bank. Towards the end of the reporting period, the Board of Directors resolved to restructure its committees by putting in place two more committees, namely Human Resources Management Committee and Planning and Projects Management Committee, bringing the total number of Committees to three (3).

The Board of Directors has taken the following key decisions and directions of the Bank:

- The Board continued to make follow up of the implementation of the recommendations made by His Excellency President Paul KAGAME during his visit to the Bank in 2009. The recommendations mainly focused on modernisation of ICT systems, infrastructure and human resources management.
- The Board continued to make follow up of developments in the monetary and financial stability areas, providing necessary guidance where it was called for.
- In a bid to have a strong regulatory framework, the BNR Board of Directors resolved to amend BNR law and staff rules that were adjusted to make them more relevant in delivering on its core mission.
- Given the growing central role of communication for the BNR's core mandate, the Board resolved to restructure the Public Relations and Communication Function of the Bank to make it more responsive to the rapidly growing stakeholders' interests in the central banking business.
- The Board approved new investment policies of the national reserves given the dynamics that were prevailing in the international financial markets, to ensure stability in the national serves preservation.
- As a way to boosting staff morale, the Board approved staff welfare policies that significantly improved working and living conditions of its staff by refinancing its staff welfare fund to enhance staff motivation.



1.3 Internal Policy Committees

The following Committees are charged with formulation of policies to guide its operations by ensuring all interventions of the Bank are done to deliver according to the Mission of BNR .

1.3.1 Monetary Policy Committee (MPC)

The Monetary Policy Committee is a policy making body of the National Bank of Rwanda responsible for the formulation of the monetary policy stance. It is composed of the following members:

1. The Governor, Chairperson;
2. The Vice-Governor, Vice Chairperson;
3. The Chief Economist and Director General of the Monetary Policy and Research Directorate, Member;
4. The Director General of the Financial Stability Directorate, Member;
5. The Director General of the Operations Directorate, Member;
6. One non-executive Board member appointed by the Board of Directors
7. Director of the Monetary Policy and Economic Analysis Department, Secretary.

The Monetary Policy Committee (MPC) met 4 times to decide on the monetary policy stance, in line with the development of international, regional and national economic and financial environment. Consistent with the developments in inflation drivers and banking system liquidity, the MPC decided to keep unchanged the central bank rate, the Key Repo Rate, at 7.5% almost over the whole fiscal year. It decided to review it downward to 7% on June 18th 2013 to further stimulate the financing of the economy by the banking sector. The MPC also committed to ensure that exchange rate is market driven and the BNR intervening only to smoothen out any volatility.

1.3.2 Financial Stability Committee (FSC)

The Law n° 55/2007 of 30/11/2007 governing the Central Bank of Rwanda, in its Article 7, mandates the National Bank of Rwanda (BNR) to enhance and maintain a stable and competitive financial system without any exclusion. The BNR Financial Stability Committee (FSC) was established in May 2012 following the BNR Board of Directors decision with a mission to promote the stability of the Rwandan financial system by analysing the system in its environment on a permanent basis, and by identifying, monitoring and publishing associated risks.

The FSC is composed of the following members:

1. The Governor, Chairperson;
2. The Vice-Governor, Vice Chairperson;
3. The Director General of the Financial Stability Directorate, Member;
4. The Director General of the Monetary Policy and Research Directorate, Member;
5. The Director General of the Operations Directorate, Member;
6. The Director of Bank Supervision Department, Member;
7. The Director of Microfinance Institutions Supervision Department, Member;
8. The Director of Non-Bank Financial Institutions Department, Member;
9. The Director of Financial Markets Department, Member;
10. The Manager, Financial Stability Analysis, Secretary.

In the year under review, the Committee held quarterly meetings to review the financial sector performance and decided the way forward on the policy orientation in order to maintain a stable and sound financial system.

Furthermore, the Committee reviewed the financial indicators and stress testing results and noted that the entire financial sector remains stable, well performing and continues to be resilient to adverse changes due to adequate capitalization of financial institutions.

The Committee also decided to continue strengthening supervision and implementing the necessary reforms in pension, insurance, banking and microfinance institutions in order to cater for new market developments and changes in the global economic environment.

1.4 Internal Management Committees

For efficient monitoring and implementation of the Bank's mandate, annual business plan and key decisions of the governing organs of the Bank, a set of internal committees were put in place as follows:

1.4.1 Management Committee (MC)

The Bank Management Committee is composed of the Governor, Vice Governor, all Directors General, all Directors and Deputy Directors. This is a coordinating organ of the Bank charged with the day to day management of the Bank. In the financial year 2012/13 through out its weekly meetings, the Management Committee ensured good functioning of the organization by implementing annual business plan aligned to the 3 year BNR Strategic plan. The Management Committee also focused on implementation of the resolutions of the Board of Directors.



1.4.2 Monetary Policy Implementation Committee (MPIC)

The Monetary Policy Implementation Committee is responsible for implementation of the Monetary Policy of the Bank. The committee mainly focused on international and domestic markets as well as reserve money developments to achieve quantitative targets as set in the monetary program under the Policy Support Instrument (PSI) signed between the Government of Rwanda and the IMF. In the 2012/2013 financial year, all targets related to Reserve Money and Net Foreign Assets were broadly met.

However, the MPIC faced some challenges, among them, high demand on foreign exchange market to finance imports at the time when the country was facing a reduction of external capital inflows, mainly following delays in budget support disbursements. The MPIC continued to implement a flexible exchange rate regime intervening on foreign exchange market to prevent volatility. BNR increased its interventions to curb market volatility, selling 345 million USD to the market against 422 million USD sold in the previous year.

Despite those challenges, the MPIC also continued to closely monitor developments in the domestic, regional and international economic environment to advise on policy actions and measures to curb inflationary pressures. As a result, the reporting period ended with a low inflation of 3.7% in June 2013, from 5.9% recorded in June 2012, while the Frw depreciated by 4.9% between June 2012 and June 2013.

The Committee is composed by the following members:

1. Governor, Chairperson
2. Vice Governor, Vice Chairperson
3. Chief Economist and Director General, Monetary Policy and Research, member
4. Director General, Financial Stability Directorate, member
5. Director General, Operations Directorate, member
6. Director, Research Department, member
7. Director, Statistics Department, member
8. Director, Bank Supervision Department, member
9. Director, Currency and Banking Operations Department, member
10. Director, Financial Markets Department, member
11. Director, Monetary Policy and Economic Analysis Department, Secretary
12. Deputy Director, Reserves Management, member
13. Deputy Director, Currency Management, member
14. Principal Economist, Monetary Policy Analysis, member
15. Manager, Domestic Markets Operations, member
16. Manager, Monetary Statistics, member
17. Manager, Credit Reference Bureau, member

1.4.3 Reserve Management Committee

The Reserves Management Committee has the mission to oversee the management of the reserves by installing an operational framework governing the reserves management activities. It has moreover in its attributions the formulation of the technical and operational recommendations in matter of the reserves management.

The Committee is chaired by the Vice Governor and composed of the following members:

1. Vice Governor, Chairperson,
2. Director General, Operations Directorate, Vice Chairperson
3. Director, Research Department, member
4. Director, Statistics Department, member
5. Director, Finance Department, member
6. Director, Financial Markets Department, member
7. Director, Monetary Policy and Economic Analysis Department, member
8. Deputy Director, Reserves Management, Secretary
9. Manager, Financial Markets Analysis and Risk Division, member
10. Manager, Financial Settlements Division, member

During the financial year 2012/13, the Committee undertook the revision of its existing Terms of Reference in order to make it more comprehensive and clearer for existing and future members. During the period under review, the Committee revised the Strategic Assets Allocation and undertook the alignment of the dispositions of the investment policy to make it respond to the reality of the market where credit and sovereign ratings were downgraded across major partnering institutions and assets. The new changes were presented to the Board and approved.

Elsewhere, the Committee reviewed and authorized investments proposals from the Financial Markets Department and monitored the adherence to the Investment Guidelines in its monthly meetings.

1.4.4 IT Steering Committee

The IT Steering Committee core functions are essentially to analyze Business information needs for the Bank, elaborate the IT master Plans, define priorities concerning the development of applications, define Mechanisms guaranteeing the correct operation on intranet and internet of the Bank, determine the financial resource allocation to IT expenditures, control the coherence of the IT developments with the strategy of the Bank and the compatibility of various IT projects and propose the orientation of the policy in matter of IT Security.

The composition of the Committee is as follows:

1. Vice Governor ,Chairperson
2. Director General, ICT,Vice Chairperson
3. Director General, Finance & Administration ,Member
4. Director General , Financial Stability ,Member
5. Director General, Operations, Member

6. Director, IT Infrastructure ,Member
7. Director, MIS,Secretary

During the year under review, the IT Steering Committee did several deliberations majorly to spearhead implementation of Core Banking Project and the Enterprise Resource Planning organized under BISMAT project expected to go live by March 2014. The Committee also approved policies and procedures of IT function in the Bank.

1.5 Corporate Social Responsibility

To integrate social dimension in its business activities, the Bank continued to contribute to a better society in a manner that exceed its legal mandate. Thus, the Bank made a commitment of FRW 140 million to 28 families of its former staff killed in 1994 Genocide against the Tutsis, by allocating 5 million FRW per family for an income generating project. The families have submitted their projects for consideration and implementation will be done in the year 2013-2014 in a framework that ensures efficiency and effectiveness. Furthermore, the Bank contributed to Agaciro Development Fund for FRW 310 million of which FRW 30 million from the Bank Budget and FRW 280 million from its staff.



Presentation of the cheque for contribution to Agaciro Development Fund to the Minister of Finance and Economic Planning.

1.6 Communication Strategy

To further build and shape market expectations while enhancing the transmission mechanism of monetary policy, the Bank continued to exchange information with all stakeholders.

The Bank activities were mainly focused to the biannual Monetary Policy and Financial Stability Statements, as well as the quarterly press conferences, which provided a platform set for communicating the Monetary Policy and Financial Stability Committees' decisions.

The Monetary Policy and Financial Stability Statement sessions were extended to institutions of higher learning including Independent University of Kigali (ULK), National University of Rwanda (NUR), Institute of Applied Sciences Ruhengeri (INES) and Nyagatare Polytechnic Institute where students were given opportunity to confront theoretical knowledge to the real facts occurred in the economy.

It was also an occasion for the Bank to introduce BNR research prize that will be annually awarding the best research work in the fields of economic and monetary policy on the one hand, and a media award was also announced to journalists with the aim to encourage them to produce quality reporting on economic issues. The first media competition was organized in the financial year July 2012-June 2013, competition concluded by awarding ceremony in August 2013. In addition, the Bank conducted an intensive awareness campaign on credit reference services. The purpose of this campaign was to sensitize the public on the importance to have clean records regarding credit and other post-paid services



Launching of the awareness campaign on credit reference services.



CHAPTER II

GLOBAL ECONOMIC DEVELOPMENTS

2.1 Economic Growth and Outlook

After a slowdown in 2012, the world economy is expected to progressively recover in the second half of 2013 helped by accommodative monetary policy in developed and developing countries. Due to weaker domestic demand, financial market volatility and their impact on the emerging economies in July 2013, the IMF revised down the global economic growth in 2013 from 3.5% to 3.1% in 2013, the same level as in 2012.

In emerging and developing countries, economic growth is forecasted to attain 5.0% in 2013 from 4.9% in 2012 while in developed economies; it is expected to be 1.2% in 2013, the same level as in 2012.

Table 1: World Economic Growth Developments (annual real growth rates)

	2007	2008	2009	2010	2011	2012	2013 Proj.
World	5.4	2.8	-0.7	5.2	3.9	3.1	3.1
Advanced Economies	2.8	0.1	-3.7	3.2	1.7	1.2	1.2
- United-States	1.9	-0.3	-3.5	3.0	1.8	2.2	1.7
- Japan	2.4	-1.2	-6.3	4.4	-0.6	1.9	2.0
- Euro Zone	3.0	0.4	-4.3	1.9	1.5	-0.6	-0.6
- Newly Industrialized Asian Economies	5.9	1.8	-0.7	8.4	4.0	2.7	-
Other Emerging and Developing Countries	8.9	6.0	2.8	7.3	6.2	4.9	5.0
countries Developing countries							
- Sub-Saharan Africa	7.1	5.6	2.8	5.3	5.4	4.9	5.1
- Asia	11.5	7.7	7.2	9.5	7.8	6.5	6.9

Source: IMF, World Economic Outlook, July 2013

In the USA, the economic recovery remained fragile in the aftermath of the global financial crisis but underlying economic conditions kept on improving. Real GDP growth is expected to slow to 1.7% in 2013 after 2.2% in 2012 dampened mainly by the fiscal contraction and a weak global environment.

In the Euro Area, the economy is still constrained by continuing debt crisis together with weak domestic and external demand as well as weak credit markets. The economic activity is projected to contract by 0.6% in 2013, the same level as in 2012 and should recover gradually in 2014. In line with these projections, real GDP contract by 1.0% and 0.5% in the first and second quarters 2013 respectively.

In Japan, following a growth of 1.9% in 2012, economic activity is projected to increase by 2.0% in 2013 supported by private consumption and net exports. On quarterly basis, real GDP grew by 3.8% in the first quarter 2013 and 2.6% in the second quarter.

In emerging and developing countries, the economy continued to recover helped by developing Asian countries whose economy is expected to grow by 6.9% in 2013 from 6.5% in 2012 driven by

good performance in China and India. China's economic growth in the first and second quarters 2013 was 7.7% and 7.6% respectively, while the real GDP growth in India was 5.1% in the second quarter 2013 from 4.8% in the first quarter 2013. According to IMF forecasts of July 2013, economic growth in 2013 is expected at 5.6% and 7.8% in India and China respectively.

In Sub-Saharan Africa, economic activity remained dynamic supported by large scale infrastructure and the development in services and industries. However, due to declining commodity prices, resurging political tensions in the Middle East and North Africa, as well as a weaker external demand, in July 2013, IMF revised down Sub Saharan economic growth to 5.1%, slightly lower than 5.6% projected in April 2013.

2.2 Inflation

In the first half of 2013, inflationary pressures remained low in most of developed countries while volatile in emerging and developing countries. In developed countries, inflation is forecasted to slow to 1.5% in 2013 from 2.0% in 2012 whilst expected at 6.0% from 6.1% in emerging and developing economies.

Table 2: Annual Inflation Developments in %

	2007	2008	2009	2010	2011	2012	2013 proj.
Advanced Economies	2.2	3.4	0.1	1.5	2.7	2.0	1.5
United States	2.9	3.8	-0.3	1.6	3.1	2.1	1.8
Euro Zone	2.1	3.3	0.3	1.6	2.7	2.5	1.7
<i>United Kingdom</i>	2.3	3.6	2.1	3.3	4.5	2.8	2.7
Japan	0.1	1.4	-1.3	-0.7	-0.3	0.0	0.1
Emerging & developing countries	6.5	9.2	5.1	6.0	7.1	6.1	6.0

Source: IMF, World Economic Outlook, July 2013 and IMF, WECO April 2013

In June 2013, US headline inflation was at 1.8% from 1.7% in June 2012. In Euro zone, inflation reduced to 1.6% in June 2013 from 2.4% in June 2012 driven by decline in oil prices.

For the first time since 14 months, Japanese inflation became positive to 0.2% in June 2013 from -0.1% in June 2012 driven by energy prices as the electricity price index increased by 9.8% as well as the Bank of Japan stimulus program aimed to reflate the Japanese economy after more than a decade of persistent negative inflation. In UK, the price index rose by 2.9% in June 2013 from 2.4% in June 2012.

In Sub-Saharan Africa, inflation slowed down in most countries as result of more stable global commodity prices, favourable weather conditions as well as tight monetary policy.

2.3 World Trade

In line with the slow global economic growth, the growth in world trade volume of goods and services is expected to remain sluggish at 3.1% through 2013 from 2.5% in 2012 after 6.0% in 2011 according to World Trade Organisation (WTO) report.

Table 3: World Trade Developments (annual % change)

	2007	2008	2009	2010	2011	2012	2013 proj.
Trade in volume							
- Exports							
Advanced Economies	7.0	2.4	-11.6	12.1	5.6	2.0	2.4
Emerging markets and developing countries	9.8	4.3	-7.9	13.3	6.4	3.6	4.3
- Imports							
Advanced Economies	5.5	1.0	-12.1	11.5	4.7	1.1	1.4
Emerging markets and developing countries	14.8	8.4	-8.3	14.8	8.7	5.0	6.0
- Terms of trade							
Advanced Economies	0.4	-1.8	2.5	-1.0	-1.6	-0.7	0.2
Emerging markets and developing countries	1.6	2.7	-4.8	2.7	3.3	0.2	-0.5
World price in dollars							
- Manufactured products	6.0	6.7	-6.6	2.4	6.7	-0.5	1.0
- Oil	10.7	36.4	-36.3	27.9	31.6	1.0	-4.7
- Non-petroleum products	14.1	7.5	-15.7	26.3	17.9	-9.9	-1.8
• Food	15.2	23.4	-14.7	11.5	19.7	-1.8	-2.4
• Beverages	13.8	23.3	1.6	14.1	16.6	-18.6	-11.9
• Agricultural raw materials	5.0	-0.8	-17.0	33.2	22.7	-12.7	-1.1
• Metals	17.4	-7.8	-19.2	48.2	13.5	-16.8	3.2

Source: IMF, World Economic Outlook, April 2013 and World Economic Outlook July 2013

According to IMF projections of July 2013, exports are expected to increase by 2.4% and 4.3% respectively in developed and emerging & developing countries, from 2.0% and 3.6% in 2012. With regard to imports, they are projected to rise by 1.4% and 6.0% in developed and emerging & developing economies respectively, from 1.1% and 5.0% in 2012.

Therefore, the terms of trade are expected to deteriorate by 0.5% in emerging and developing countries while slightly improved (+0.2%) in developed countries after 3 consecutive years of deterioration.

With regard to price developments, oil prices are estimated to decline by 4.7% in 2013 as result of weak global demand after an increase of 1.0% in 2012 and 31.6% in 2011. Non-fuel commodity prices are projected to drop again by 1.8% in 2013 after a sharp decline of 9.9% in 2012 mainly due to ample supply conditions and weak demand and metal prices are projected to rise by 3.2%. This development will lead to less imported inflationary pressures in Rwanda and higher exports prospects for minerals.

2.4 Financial Markets

Monetary policies of Central Banks in major developed countries remained accommodative to support economic activity by keeping central bank policy rates at very low levels. Compared to June 2012, Central Bank rates were down in June 2013 in all leading economies; declining to 0.48% from 0.87% in UK, to 0.28% from 0.47% in USA, to 0.14% from 0.17% in Japan and to 0.14% from 0.53% in Euro area respectively.

Consistent with moderate economic recovery in USA and following easing financial stresses in Euro Area, 10-year government bond interest rates increased to 2.49% from 1.64% in USA, 1.73% from 1.58% in Euro Area, 2.44% from 1.73% in UK and remained stable at 0.84% from 0.85% in Japan respectively in June 2013 and June 2012. However, the bond market has started to face instability ahead with eventual move towards exit from unconventional monetary policy and the effect of bail-in provisions in the recent Cypriot case of rescue agreement.

On the foreign exchange market, compared to June 2012, the US dollar appreciated by 3.2% versus the GBP in June 2013 while depreciating by 2.8% and 24.5% against the EURO and the Yen respectively.

2.5 EAC Member Countries

In East African Countries (EAC), economic activity remained resilient despite volatile foreign inflows resulting from persistent financial crisis. The resilience was driven by efficient macroeconomic policies and important investment projects.

Rwanda and Tanzania are expected to have the highest economic growth, at least 6.6% and 6.8% respectively in 2013, from 8.0% and 6.9% achieved in 2012, followed by Uganda (6.2%), Kenya (4.9%) and Burundi (4.3%).

With regard to price developments, inflation pressures kept on declining, due to better economic performances and efficient monetary and fiscal policies. Compared to June 2012, annual inflation declined in June 2013 to 4.9% from 10.1% in Kenya, to 3.4% from 18.0% in Uganda, to 7.6% after 17.4% in Tanzania and to 11.4% against 17.3% in Burundi. In Rwanda, inflation has been kept moderate helped by good performance in agriculture sector and by efficient monetary and exchange rate policy. It dropped to 3.7% in June 2013 from 5.9% in June 2012.

Table 4: Annual Inflation in EAC Countries in %

	2010	2011	2012				2013					
	Dec	Dec	Mar.	Jun.	Sept.	Dec.	Jan.	Feb.	Mar.	Apr.	May	Jun.
<i>Uganda</i>	3.1	27.0	21.2	18.0	5.5	5.3	4.9	3.4	4.0	3.4	3.6	3.4
<i>Kenya</i>	4.5	18.9	15.6	10.1	5.3	3.2	3.7	4.5	4.1	4.1	4.1	4.9
<i>Tanzania</i>	5.6	19.8	19.0	17.4	13.5	12.1	10.9	10.4	9.8	9.4	8.3	7.6
<i>Burundi</i>	4.9	14.9	24.5	17.3	14.2	11.8	7.6	9.4	5.9	3.0	8.2	11.4
<i>Rwanda</i>	0.2	8.3	8.2	5.9	5.6	3.9	5.7	4.8	3.3	4.4	3.0	3.7

Source: EAC Central Banks respective websites

Box 1

- *World Economic growth (2013 proj): 3.1%*
- *World Annual inflation (2013 proj) : 1.5% (Advanced Economies)*
6.0% (Emerging & Developing Countries)
- *World Trade volume growth (June, 2013): 3.1%*

CHAPTER III

NATIONAL ECONOMIC PERFORMANCE



3.1 Economic Growth

Over the reporting period, Rwandan economy registered a slowdown, growing by 6.8% , against 9.1% in the previous financial year. The growth performance was affected by global economic and financial challenges and uncertainties around donor inflows as well as adverse weather conditions which affected the agriculture sector.

For the third consecutive financial year, economic growth has been driven by the industry sector which increased by 11.3% in July 2012-June 2013, following 12.4% in the previous financial year.

The performance in industry Sector which account for 16.4% of the GDP has been attributable to construction industry which increased by 11.3% over the period on account of sustained expansion in private constructions and public works, as well as rapidly growing mining and quarrying industry.

The value added at constant prices of 2006 for the construction sector grew by 21.8% compared to 15.5% in the fiscal year 2011/2012, while mining and quarrying industry increased by 6.0%, a quite moderate performance compared to 19.9% and 24.2%, recorded consecutively in the 2 previous financial years.

The good performance in construction and mining sectors in the financial year 2012/2013 offset a decline of 3.3% in the manufacturing. This sector has been affected by a decline in private and government consumption, growing competition from imported products and technical issues in some companies.

Table 5: Real GDP Growth Rates at Constant 2006 Prices, Financial Years Ending June, in %

YEARS ENDING JUNE	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Gross Domestic Product	8.2	9.7	4.9	7.4	9.1	6.8
Agriculture	3.9	5.6	6.0	3.2	6.2	3.9
Food crop	4.1	6.3	6.7	3.1	6.9	3.9
Export Crop	-0.9	-1.4	-0.8	5.7	-4.0	8.8
Livestock	2.5	2.9	3.9	4.1	4.2	2.8
Forestry	3.9	2.8	2.8	3.0	3.4	3.2
Fisheries	2.7	2.7	2.7	2.7	2.7	2.7
Industry	10.4	10.4	1.2	12.8	12.4	11.3
Mining and quarrying	4.3	-21.6	-16.1	19.9	24.2	6.0
Manufacturing	4.4	1.3	6.7	6.1	7.1	-3.3
Of which: Food	3.1	3.7	5.2	6.8	4.0	3.5
Beverages and tobacco	1.2	-0.7	3.2	7.3	4.9	3.1
Textiles and clothing	10.5	-7.1	2.0	1.1	-0.9	-2.8
Wood, paper and printing	20.8	4.6	7.7	-5.5	4.7	-4.4
Chemicals, rubber, plastics	-1.4	7.1	-3.7	13.6	16.7	-4.8
Non- metallic minerals	5.7	-7.1	10.4	6.7	22.1	4.0
Furniture and other	8.2	5.7	34.1	6.6	12.4	-50.4
Electricity, gas and water	9.1	15.3	18.8	11.2	19.4	11.1
Construction	17.6	22.2	-2.3	18.0	15.5	21.8
Services	12.2	12.5	4.8	9.9	11.0	7.7
Wholesale and retail trade	14.0	17.9	-0.4	10.7	12.6	9.2
Hotels and restaurants	7.3	-5.5	4.0	5.2	8.9	0.0
Transport, storage, communication	18.8	20.7	6.4	4.9	14.3	12.5
Finance, insurance	13.9	-3.0	-0.2	34.1	11.8	15.9
Real estate, business services	14.0	12.9	6.1	0.7	3.8	-0.4
Public administration	0.8	8.6	7.6	16.6	15.9	7.1
Education	10.6	11.4	11.8	13.5	11.6	6.7
Health	13.0	11.5	16.8	11.8	2.7	2.9
Other personal services	7.6	-1.7	1.1	3.5	-1.0	2.0
Adjustments	2.5	12.4	9.1	1.5	3.5	4.5

Source: National Institute of Statistics of Rwanda (NISR)

The agriculture sector has recorded a moderate growth of 3.9% between July 2012 and June 2013 against 6.39% in the previous financial year, due to adverse weather conditions which affected mainly food crops production. The export sector has significantly recovered from a decline of 4.4% observed in the financial year 2011/2012, increasing by 8.8% in the period under review.

The Services sector remained with the biggest share in the GDP estimated at 44.5% against 45.5% in the previous year, as its real growth slowed down from 10.0% to 7.7%. Lower growth of services sector performance in the financial year ended June 2013 is attributed mainly to the second half of the year, following a slowdown in credit to private sector as well as slower Government expenditure pace due to cuts and delays in donors' budget support. Consequently, performance of wholesale and retail, real estate business services, public administration, education, health as well as other personal services have significantly decelerated in comparison with the financial year 2011/2012.

3.2 Prices

3.2.1 Overall Inflation

Despite some seasonal volatility, inflation in Rwanda was maintained at moderate levels. In June 2013, annual headline inflation decreased to 3.7% from 5.9% and 3.9% recorded respectively in June and December 2012. By origin, domestic inflation increased by 4.1% in June 2013 after 6.8% in June 2012 driven by food and non-alcoholic beverages while imported inflation decelerated to 1.9% in June 2013 from 2.7% in June 2012.

The sustained moderate inflation has been a result of prudent and efficient monetary policy, improved performance in agriculture production, well-coordinated economic policies that mitigated the impact of exogenous shocks, easing inflationary pressures in trading partners as well as stable international oil prices.

Table 6: Annual Headline Inflation (% change in CPI, base Feb.2009:100)

	Weighted average	2010	2011	2012			2013	2013
		Dec.	Dec.	Jun.	Sept.	Dec.	Mar.	Jun.
Headline Inflation	10 000	0.2	8.3	5.9	5.6	3.9	3.3	3.7
1. Food and non-alcoholic beverages	3 538	-2.7	11.2	11.3	13.7	7.9	1.9	4.4
- Bread and cereals	733	-10.6	20.5	6.1	7.0	9.2	5.2	-1.4
- Meat	274	5.0	10.3	13.0	7.7	5.3	2.6	1.5
- Fish	83	9.4	22.5	9.8	1.4	-5.5	11.4	9.3
- Vegetables	1 200	-5.2	8.7	21.3	29.0	9.4	-3.5	10.8
- Non-alcoholic beverages	160	0.6	4.6	9.3	9.7	11.0	4.1	4.9
2. Alcoholic beverages and tobacco	240	4.1	3.0	10.3	3.7	3.6	10.0	1.7
3. Clothing and footwear	377	1.6	8.7	4.6	1.7	1.9	1.2	1.5
4. Housing, water, electricity, gas and other fuels	2 204	1.6	6.8	5.5	2.4	1.8	1.4	0.2
5. Furnishing, household equipment and routine household maintenance	457	-2.4	4.9	4.3	4.7	5.6	4.8	4.3
6. Health	163	-1.1	1.9	1.4	0.8	1.4	-0.5	0.6
7. Transport	1 189	4.1	9.1	0.4	-1.9	0.5	2.3	0.9
8. Communication	288	-0.4	-6.3	-7.7	-1.4	0.0	-1.77	-1.9
9. Recreation and culture	256	1.4	5.2	-1.5	-2.2	-1.1	1.4	1.2
10. Education	331	6.5	20.7	1.0	1.0	1.0	35.2	35.2
11. Restaurants and hotels	558	-0.4	4.5	2.0	0.9	-0.4	1.1	3.8
12. Miscellaneous goods and services	400	2.8	5.6	2.4	2.5	3.2	3.5	3.3

Source: BNR

Underlying Inflation

The underlying inflation which excludes fresh foods and energy from the overall CPI stood at 3.4% in June 2013 from 3.7% in June 2012 respectively. On annual average, it significantly decelerated to 3.5% in June 2013 from 6.8% in June 2012 as a result of efficient monetary and exchange rate policy implementation by BNR.

Table 7: Overall and Underlying Price Developments (% change in CPI, base Feb.2009=100)

	2010	2011	2012			2013	
	Dec	Dec.	Jun	Sept	Dec.	Mar.	Jun.
Overall inflation	0.2	8.3	5.9	5.6	3.9	3.3	3.7
Local Goods	-0.1	8.3	6.8	6.8	4.1	3.2	4.1
Food and non-alcoholic beverages	-2.7	11.2	11.3	13.7	7.9	1.9	4.4
Fresh food	-1.1	8.3	16.9	25.7	10.0	-3.8	6.3
Vegetables	-5.2	8.7	21.3	29.0	9.4	-3.5	10.8
Imported Goods	1.5	8.6	2.7	1.2	3.2	3.4	1.9
Energy	3.6	9.3	6.6	2.8	5.7	4.6	0.9
Underlying inflation	0.2	8.3	3.7	2.1	3.9	4.8	3.4

Source: BNR

3.3 External Sector

3.3.1 Balance of Payments

Rwanda has closed the fiscal year 2012/2013 with a positive overall balance of USD 210.96 million resulting from higher positive balance of capital and financial account of USD 780.70 million offsetting the current account deficit of USD 554.64 million.

Table 8: Major Balance of Payment components Developments (in USD million)

	2010	2011	2012	FY 2012/2013
A. Trade balance	-786.70	-1101.58	-1376.25	-1195.56
Exports of which	297.28	464.24	590.75	707.30
Coffee	56.08	74.60	60.89	69.09
Tea	55.71	63.90	65.72	63.89
Imports FOB	-1083.97	-1565.82	-1967.00	-1902.86
B. Services (net)	-246.22	-186.98	-93.23	-83.49
C. Income (net)	-42.52	-51.80	-73.82	-76.30
Trade, services and income balance	-1075.44	-1340.36	-1543.29	-1355.35
D. Current transfers net	657.31	880.52	722.46	800.71
Private	90.68	133.32	182.95	178.36
Public	566.63	747.20	539.51	622.35
E. Current account	-418.13	-459.84	-820.83	-554.64
F. Capital and Financial account balance	499.36	682.50	582.47	780.70
Errors and Omissions	-9.16	11.88	25.92	-15.10
G. Overall balance	72.07	234.54	-212.44	210.96

Source: BNR

A. Balance of Trade

Rwanda trade balance stood at negative USD 1,195.56 million, as exports value amounted to USD 707.30 million while imports amounted to USD 1,902.86 million.

Compared to the fiscal year 2011/2012, exports increased in both volume and value respectively by 50.1% and 33.9%, while imports also rose in both volume and value respectively by 19.8% and 6.3% in the same period.

Following substantial performance in exports, imports cover has improved to 27.5% from 19.0%, and when informal cross-border trade is included, it reached 32.5% from 23.6%.

1. Exports

Total exports of goods were valued at USD 574.49 million mostly dominated by traditional products which represented 56% of the total, while other exports together with re-exports represented 44%. Other export products included mainly foodstuff, non-traditional minerals and live animals, while re-exports were mostly composed of petroleum products, machines & engines, vehicles and minerals.

Table 9: Export developments (value FOB in million of USD, Volume in thousands of tons)

	July 11 - June 12		July 12 - June 13		% change	
	Volume	Value	Volume	Value	Volume	Value
Coffee	16.73	78.41	20.53	69.09	22.7	-11.9
Tea	22.31	61.09	22.06	63.89	-1.1	4.6
Minerals	8.83	148.36	8.41	186.31	-4.7	25.6
Other	166.2	141.21	270.39	255.21	62.7	80.7
Total exports	214.06	429.07	321.39	574.49	50.1	33.9

Source: BNR

Tea and Coffee

Coffee exports recorded good performance with an increase of 22.7% in volume following a higher production increasing from 16,725 tons in 2011/2012 to 20,526 tons in 2012/2013. However, due to a fall of 28.2% in price from an average of USD 4.68/Kg to USD 3.37/Kg, the value of coffee exports declined by 11.9%.

Coffee exports remained dominated by ordinary coffee whose volume increased by 21.0% to 11,615 tons in 2012/2013 from 9,600 tons in 2011/2012, while volume of fully washed coffee sharply increased by 52.9% from 4,689 tons to 7,169 tons in 2012/2013.

Despite gradual increase in the fully washed coffee production, its volume represent 33.4% of total production of coffee, far below the objective of transforming 85% of the total production into fully washed in 2012/2013.

Concerning tea, its exports performed poorly during the fiscal year 2012/2013 as its volume only increased by 1.1% due to unfavourable weather conditions while its value increased by 4.6% as a result of 5.8% rise in unit price, from USD 2.74/Kg in 2011/2012 to USD 2.90/Kg in 2012/2013.

Table 10: Major exports Developments (Value FOB in USD million and Volume in thousands of tons)

		July 11 - June 12	July 12 - June 13	% change
Coffee	Value	78.41	69.09	-11.9
	Volume	16.73	20.53	22.7
Tea	Value	61.09	63.89	4.6
	Volume	22.31	22.06	-1.1
Cassiterite	Value	77.30	57.12	-26.1
	Volume	6.32	4.67	-26.1
Coltan	Value	45.29	102.22	125.7
	Volume	0.98	1.75	79.2
Wolfram	Value	25.76	26.96	4.7
	Volume	1.53	1.99	30.2
Hides and Skins	Value	9.37	16.68	78.0
	Volume	7.21	10.91	51.4
Pyrethrum	Value	5.76	9.00	56.2
	Volume	0.02	0.04	61.9
Re-exports	Value	63.05	133.83	112.3
	Volume	37.12	78.29	110.9
Other export	Value	63.03	95.70	51.8
	Volume	121.85	181.15	48.7
TOTAL EXPORTS	Value	429.07	574.49	33.9
	Volume	214.06	321.39	50.1

Source: BNR

Minerals

Rwanda's mining exports rose by 25.6% in value from USD 148.36 million in 2011/2012 to USD 186.31 million in 2012/2013, while slightly decreased by 4.7% in volume.

This performance of the mining sector was mainly due to the high increase of coltan's price which increased by 26.4% from an average of USD 46.21/Kg to USD 58.41/Kg in 2012/2013; while the price of wolfram declined by 19.5%, from an average of USD 16.84 /Kg to USD 13.55 /Kg in 2012/2013. However, Cassiterite's price remained unchanged at USD 12.23/Kg. In terms of volume, mineral exports remained dominated by cassiterite which represented 55.5% of the total exports of minerals while wolfram and coltan represent 23.6% and 20.8% respectively.

In terms of value, coltan exports highly increased by 125.7% to reach USD 102.22 million from USD 45.29 million; wolfram rose by 4.7% to USD 26.96 million from USD 25.76 million; while cassiterite declined by 26.1% to USD 57.12 million from USD 77.30 million.

Hides and Skins

Compared to the last fiscal year, hides and skins exports in 2012/2013 recorded good performance with an increase of 78.0% in value attributable to an increase of 51.4% in volume and 17.6% in price. In total, 10,913.87 tons of skins and hides were exported at USD 1.35/Kg compared to 7,206.43 tons exported at USD 1.29/Kg in 2011/2012.

Pyrethrum

Pyrethrum exports also recorded a good performance with an increase of 56.2% in value from USD 5.76 million in 2011/2012 to USD 9.0 million, despite a decline of prices (-21.9%) from USD 288.00/Kg to USD 225.00/Kg. In the same period, the volume of pyrethrum exports also rose by 61.9% from 22.18 tons to 35.90 tons.

Non-traditional Exports

Non-traditional exports recorded an increase of 51.8% in value and 48.7% in volume. Among non-traditional exports, cereals exports value rose by 1261.3% followed by plastic articles, edible vegetables, roots & tubers, cement and mineral water & beer, which increased by 119.3%, 73.9%, 73.0% and 71.3% respectively.

Regarding re-export products which include cassiterite, coltan, wolfram, other minerals, petroleum products, machines and engines and, vehicles mainly exported to neighboring countries, performed very high in both value and volume, by 112.3% and 110.9%, respectively.

Table 11: Evolution of Some Non-traditional Exports (Value FOB in USD million and Volume in thousands of tons)

	July 11 - June 12		July 12 - June 13		% change	
	Volume	Value	Volume	Value	Volume	Value
Livestock	4.93	7.02	4.85	7.50	-1.6	6.8
Edible Vegetables, roots and tubers	19.15	2.77	28.30	4.82	47.8	73.9
Cereals	1.86	0.24	9.83	3.20	429.0	1261.3
Products of the milling industry	36.98	17.80	49.62	23.49	34.2	31.9
Mineral Water and Beer	10.94	7.42	14.94	12.71	36.6	71.3
Cement	20.29	1.80	35.51	3.11	75.0	73.0
Cosmetic products	0.36	1.21	0.67	1.91	87.0	57.3
Plastics and articles thereof	0.73	1.66	1.57	3.64	113.3	119.3
Textiles and textile articles	0.20	0.42	0.10	0.47	-53.0	11.9
Footwear	0.47	1.53	0.57	0.63	20.9	-59.1
Handcrafts	0.03	0.39	0.03	0.38	19.3	-2.9
Scraps Iron	9.16	0.72	12.27	1.92	34.0	165.3
Iron and steel	3.15	2.92	7.73	6.40	145.3	118.9

Source: BNR

The external sector was also boosted by informal cross border trade which amounted to USD 106.85 million of exports from USD 92.04 million in 2011/2012, representing 18.6% of formal exports. During the same period, informal imports increased by 1.7% from USD 21.10 in 2011/2012 to USD 21.45 million in 2012/2013, leading to further widening in Rwanda's positive trade balance with neighboring countries (+USD 85.40 million). This informal cross border trade is dominated by crop products and live animals, and the main trading partners are DRC and Uganda.

Table 12: Rwanda Informal Cross Border Trade (in USD million)

	2011/2012	2012/2013	% change
Exports	92.04	106.85	16.09
Imports	21.10	21.45	1.68
Trade balance	70.94	85.40	20.38

Source: BNR

2. Imports

Imports value CIF increased by 6.3% to USD 2,167.18 million after USD 2,036.72 million in 2011/2012, while it increased by 19.8% in volume. Imports have been mostly dominated by consumer goods which account for 29.4% of the total value, followed by intermediary goods (27.9%), capital goods (25.9%), while energy products represented 16.8% of the total imports value. With regard to price, apart from energy and lubricants which decreased by 0.5%, all categories of imports recorded a price increase; 13.8% for consumer goods, 5.5% for intermediary goods and 3.8% for capital goods, translating into pressures in imported inflation.

Table 13: Evolution of Imports CIF Adjusted (Value CIF in USD million, Volume in thousands of tons)

	July 11 -June 2012		July 12 - June 2013		% change	
	Volume	Value	Volume	Value	Volume	Value
Total imports	1,481.02	2,036.72	1,774.75	2,164.18	19.8	6.3
Consumer goods	499.53	558.25	599.02	635.45	19.9	13.8
Capital goods	58.96	540.85	61.49	561.35	4.3	3.8
Intermediates goods	687.32	571.67	854.72	603.13	24.4	5.5
Energy and lubricants	235.22	365.96	259.52	364.24	10.3	-0.5

Source: BNR

Final Consumer Goods

Imports value of final consumer goods increased in both volume and value, respectively by 19.9% from 499,527.35 tons to 599,024.28 tons in 2012/2013, and by 13.8% from USD 558.25 million in 2011/2012 to USD 635.45 million in 2012/2013; pulled by higher value of health and care (+30.0%), beverages and tobacco (27.9%) and domestic use (+86.5%) to largely offset a decline in article of clothing (-1.6%) and food products (-0.3%).

Food products representing 34.8% of the total value of consumer goods slightly decreased in value by 0.3% but increased by 19.5% in volume. The decline in value was mainly attributed to milk and milk products (-26.6%) and fats and oil (-21.4%).

Health and care which account for 25.5% of the total value of consumer goods increased by 30.0% in value and 20.6% in volume and were dominated by pharmaceutical products which rose by 42.7% in value and 80.6% in volume. Imports of goods of domestic use rose by 62.7% in volume and 86.5% in value, attributable mainly to beddings which increased by 192.8% in value and by 60.4% in volume.

Capital Goods

BNR

Capital goods imports increased in both value and volume boosted by higher domestic demand in line with dynamic economic activities. They rose by 3.8% in value to USD 561.35 million from USD 540.85 million in 2011/2012 and by 4.3% in volume.

Capital goods imports were mainly dominated by machines, devices and tools whose share was around 62.2% of the total value of imports of capital goods, and 16.1% of the total volume of imports. This category of capital goods significantly increased in both value and volume, respectively by 11.5% and 26.5% driven mainly by machines, devices & tools (+11.5%). Reflecting lower investments in transport sector, its imports of transport materials increased by 5.6% in volume, and declined by 14.4% in value, mainly triggered by a decline of 41.4% recorded by buses and small buses.

Intermediary Goods

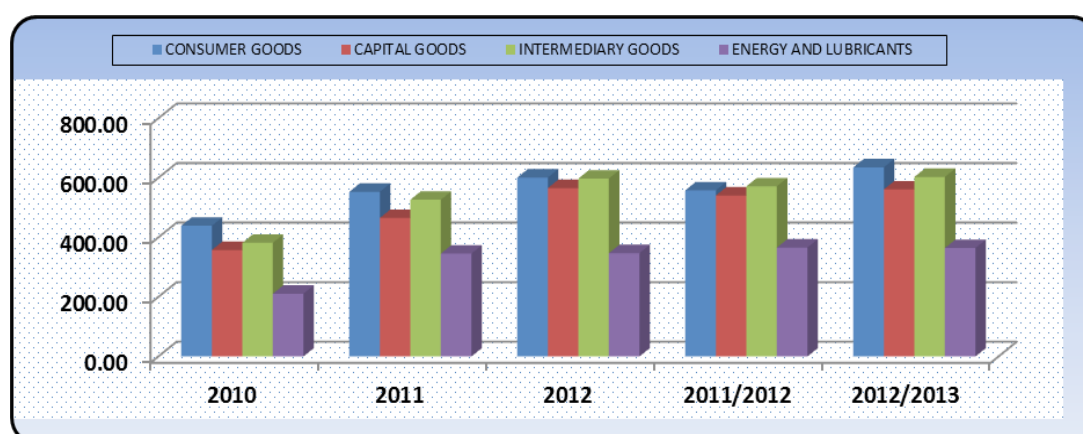
Driven by higher domestic demand of their main components such as construction materials and industrial products, imports of intermediary goods in 2012/2013 represented 27.9% of the total imports. They increased by 24.4% in volume and by 5.5% in value to USD 603.13 million after USD 571.67 million in 2011/2012. Industrial products which represented 48.3% of total value of intermediary goods increased by 22.3% in volume and by 11.4% in value, largely attributed to the metallic, foods, woods and chemical industries' raw materials which increased by 49.9%, 32.6%, 24.5% and 13.5% respectively.

Construction materials which accounted for 33.3% of the total value of intermediary goods decreased by 10.4% in value but increased by 22.1% in volume of which a big part is attributed to metallic construction materials (-29.3%). Import of fertilizers rose in both value and volume by 76.5% and 75.7% respectively, boosted by the Government policy to continue supporting agriculture sector.

Energy and Lubricants

The importation of energy and lubricants (of which 95% are petroleum products) decreased by 0.5% in value to USD 364.24 million from USD 365.96 million, and increased by 10.3% in volume due to the higher oil prices and increasing domestic demand.

Figure 1: Structure of Imports Developments (value in USD million)



Source: BNR

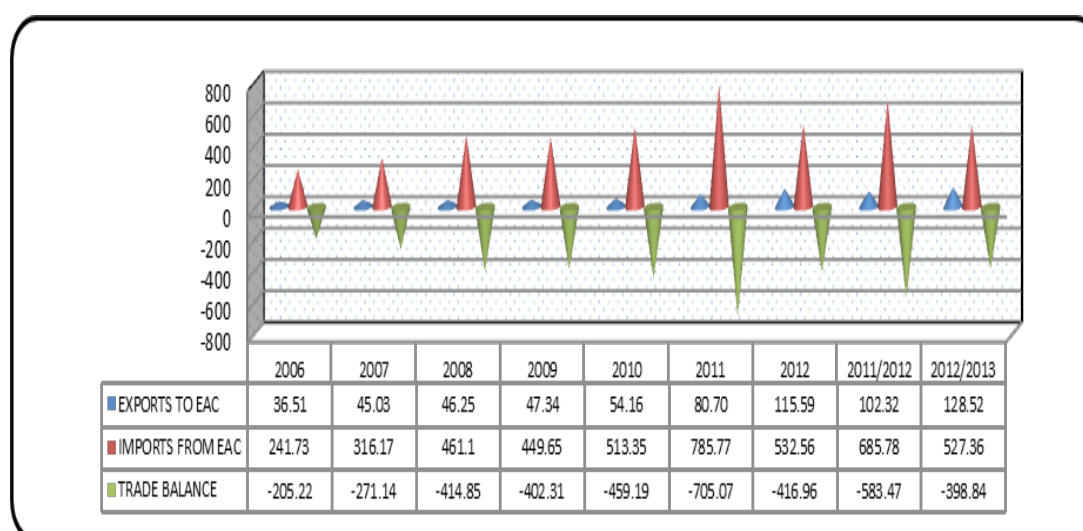
3. Trade with EAC Countries

Rwanda's total trade with EAC partner states recorded a significant growth in exports, while decreasing in imports. The total trade declined by 16.8% from USD 788.10 million in 2011/2012 to USD 655.88 million in 2012/2013.

Rwanda's exports amounted to USD 128.52 million in 2012/2013 from USD 102.32 million in 2011/2012 with an increase of 25.6% while imports declined by 23.1%, amounting to USD 527.36 million from USD 685.78 million in 2011/2012. These developments have narrowed the trade deficit to USD 398.84 million from USD 583.47 million in 2011/2012.

Rwanda's main exports were flavoured or non-flavoured tea, raw hides of bovine, roasted or non-roasted coffee, bars and rods of iron or non-alloy steel, leguminous vegetables and beer made from malt. On the other hand, major imports from EAC countries are cement, refined and non-refined palm oil, animals or vegetable fats and oils, mineral or chemical fertilizers, clothing and other worn articles, cane or beet sugar and chemically pure sucrose, among others.

Figure 2: Evolution of Rwanda's trade with EAC in USD million (2006-2012/2013)



Source: BNR

B. Balance of Service and Income

The balance of services and income recorded a deficit totalling USD 159.79 million for the fiscal year 2012/2013, of which USD 83.49 million (52%) was services and USD 76.30 million (48%) for income. The deficit of services has been declining due to good performance of tourism sector and increase of imports from EAC reducing services related to import. The inflows from tourism receipts increased from USD 251.8 million in 2011 to USD 296.50 million in 2012/2013 fiscal year while transport cost of imports declined from USD 352.25 million to USD 297.68 million in the same period. On the income side, the increase of deficit is mainly due to increasing payments of interests on external debt as well as labour income payment.

Table 14: Evolution of Services and Incomes (in USD million)

	2010	2011	2012	FY 2012/2013
Services (net)	-246.22	-186.98	-93.23	-83.49
Credit/Inflows	310.36	431.43	425.36	448.34
Freight and insurance	4.77	4.26	4.03	4.74
Other transportation	21.68	45.64	54.81	51.74
Travel	201.65	251.80	281.80	296.50
Others services	82.26	129.73	84.72	95.37
Debit/Outflows	-556.57	-618.41	-518.59	-531.83
Freight and insurance	-293.68	-352.25	-270.12	-297.68
Other transportation	-43.19	-52.96	-53.72	-44.61
Travel	-77.01	-39.00	-78.57	-62.04
Others services	-28.36	-85.23	-22.83	-23.67
Income (net)	-42.52	-51.80	-73.82	-76.30
Credit/Receipts	16.13	20.06	10.70	13.81
Investment income	7.86	12.01	3.57	2.37
Labour services income	8.26	8.03	7.14	11.44
Property income	0.01	0.02	0.00	0.00
Debit/Payments	-58.65	-71.86	-84.52	-90.011
Income on direct investments	-3.74	-12.10	0.00	0.98
Income on others investments	-11.97	-13.07	-33.47	-54.86
Labour services Income	-42.92	-46.69	-50.19	-35.73
Property income	-0.02	0.00	-0.86	-0.50
Services and Revenues (nets)	-288.74	-238.78	-167.04	-159.79

Source: BNR

C. Current Transfers

Net current transfer's inflows amounted to USD 800.71 million for the fiscal year 2012/2013, dominated by official transfers (78% of the total) while private transfers came for 22%. Concerning private transfers, 64% were made of remittances from diaspora, that is, USD 114.67 million over USD 178.36 million of total private transfers against USD 63.68 million that were received from churches and other associations. As indicated in the table below, official transfers declined from USD 628.39 million in 2011 to USD 510.70 million in 2012/13 fiscal year due to donors' aid cuts. This has contributed to high depreciation of FRW exchange rate observed between July 2012 and June 2013.

Table 15: Net Current Transfers (in USD million)

	2010	2011	2012	FY 2012/2013
Current transfers (net)	657.31	880.52	722.46	800.71
Current private transfers (net) of which:	90.68	133.32	182.95	178.36
Remittances from Diaspora (net)	65.07	110.18	118.25	114.67
Churches and associations	25.61	23.14	64.70	63.68
Current official transfers (net) of which:	566.63	747.20	539.51	622.35
Current support net	479.52	628.39	433.70	510.70
Humanitarian aid	100.52	107.03	120.11	122.95

Source: BNR

Official current transfers which remained predominant in net current transfers amounted to USD 622.35 million, of which USD 510.70 million were for the budget support, the remaining USD 122.95 million accounted for humanitarian aid.

D. Capital and Financial Operations Account

By end fiscal year 2012/2013, total capital and financial account totalled USD 780.70 million, enough to cover the deficit in current account which stood at USD 554.64 million. Financial inflows stood at USD 631.72 million of which long term capital stood at USD 548.42 million dominated by the Eurobond proceeds, while short term inflows counted only USD 83.30 million. Foreign Direct Investment which is a part of private long term capital came for USD 165.84 million representing around 76% of the total private long term capital.

Table 16: Evolution of Capital and Financial Account (in USD million)

	2010	2011	End June-2012	2012/2013 Proj.
Capital and Financial account balance	499.36	682.50	171.23	780.70
Capital Account	285.64	196.66	171.23	148.98
<i>Capital transfers</i>	285.64	196.66	171.23	148.98
Financial transactions account	213.72	485.84	411.24	631.72
<i>Long Term capital</i>	232.35	438.33	326.15	548.42
Public sector capital (LT) (net)	51.90	207.21	92.98	329.60
Disbursement	61.71	222.20	110.32	532.69
Amortization	-9.81	-14.99	-17.34	-203.09
Private (net)	180.45	231.12	233.16	218.81
Disbursement	129.02	148.78	123.56	113.07
Amortization	-12.29	-55.16	-56.99	-69.86
Investments	63.71	137.50	166.59	175.61
Other capital	-18.63	47.51	85.10	83.30

Source: BNR

3.3.2 External Debt

A. Public External Debt

The public external debt was mostly composed of loans from multilateral institutions, such as World Bank, African Development Bank, IDA and IMF which represented 59.6% of total public external debt. The Euro bond account for 26.6% of total public external debt. The remaining 13.8% were from bilateral partners like EXIM-India, EXIM-China and Kuwait.

Table 17: Stock of External Public Debt (in USD million)*

CREDITOR	2010	2011	End June 2012	End June 2013
1. MULTILATERAL	651.14	832.99	841.66	895.28
AfDB-ADF	172.59	210.62	213.33	234.61
BADEA	29.33	34.03	33.56	32.67
EIB	6.39	5.03	3.66	2.57
EU	15.25	13.89	12.90	12.44
IFAD	103.05	107.07	107.58	106.38
IMF	14.82	14.13	13.59	12.03
IDA	258.25	391.55	401.11	435.54
NDF	16.40	16.08	15.33	16.28
OPEC	35.08	40.57	40.38	42.76
2. BILATERAL	115.45	151.66	163.02	206.23
AFD	3.66	2.12	1.36	0.00
CHINA	0.00	0.00	0.00	0.00
EXIMCHINA	10.36	28.60	30.70	56.02
EXIMINDIA	18.50	28.65	39.55	59.44
Abu Dhabi	1.85	2.99	2.99	2.96
Kuwait Fund	35.52	44.68	44.48	45.51
Saudi Fund	45.22	44.28	44.59	41.96
LIBYA	0.35	0.35	0.34	0.34
EURO BONDS				400.00
TOTAL	766.59	984.65	1004.68	1501.51
% of GDP	14.0	15.6	15.1	20.9

*Government guaranteed debt not included

Source: BNR

1. Public External Debt Stock

Regarding the borrowing currencies, Rwanda's total external debt is dominated by USD (42.0%) followed by SDR (36.9%) and EURO (7.8%) at end June 2013, against 18.1%; 52.0% and 11.4% respectively at end June 2012.

Table 18: Structure of External Public Debt by Currency of Borrowings (in USD million)

	2010		2011		End June 2012		End June 2013	
Currency	Million USD	% of Total	Million USD	% of Total	Million USD	% of Total	Million USD	% of Total
SDR	376.1	49.1	512.7	52.1	522.3	52.0	554.0	36.9
EUR	113.8	14.8	118.3	12.0	114.3	11.4	116.8	7.8
USD	125.0	16.3	171.1	17.4	181.5	18.1	629.9	42.0
Others	151.7	19.8	182.6	18.5	186.6	18.6	200.9	13.4
Total	766.6	100.0	984.7	100.0	1,004.7	100.0	1,501.5	100.0

Source: BNR

2. Public External Debt Disbursements

The total disbursements stood at USD 506.4 million against USD 171.8 million at end June 2012. The share of disbursements on Eurobond was the most important representing 79.0% of the total disbursements observed; followed by multilateral creditors with 16.6% of the total disbursements, mainly from IDA and FAD-FSN with respective shares of 52.9% and 36.4% of multilateral disbursements. The share of bilateral creditors was around 4.4% of the total disbursements.

Table 19: Development of Disbursements (in USD million)

DESCRIPTION	2010	2011	2011/ 2012	2012/ 2013
MULTILATERAL CREDITORS	43.34	197.5	146.9	84.3
Of which : IDA	10.1	138.2	94.7	44.6
FAD-FSN	16.03	39	35.8	30.7
BILATERAL CREDITORS	7.3	24.8	24.9	22.1
EURO BOND				400.0
TOTAL	50.7	222.2	171.8	506.4
Of Which :				
Drawings for projects	50.7	186.7	83.2	493.6
Drawings for budget support	0	35.5	88.6	12.9
Drawings for BOP support (IMF)	0	0	0.0	0.0

Source: BNR

3. Public External Debt Servicing

External debt services are largely dominated by multilateral debt with 67.9% against 80.6% in 2011/2012. The bilateral debt service represented 14.9% of the total external debt services compared to 19.4% in the last fiscal year.

Table 20: Developments of External Debt Service (in USD million)

DESCRIPTION	2010	2011	2011/ 2012	2012/ 2013
MULTILATERAL DONORS	14.9	19.3	20.4	30.9
Principal	8.8	13.3	14.3	16.1
Of which : IDA	0.5	2.4	2.8	3.6
FAD-FSN	1.2	1.7	1.7	1.8
BADEA	0.0	1.0	1.1	1.0
Interests	6.2	4.4	6.1	14.9
Of which : IDA	1.9	2.3	2.5	3.2
FAD-FSN	1.6	1.6	1.7	2.0
BADEA	0.9	0.0	0.0	0.0
BILATERAL DONORS	2.9	4.4	4.9	6.8
Principal	1.2	2.3	2.5	2.7
Interests	1.7	2.2	2.4	4.2
SUPPLIERS' CREDITS	0.0	0.0	0.0	0.0
Principal	0.0	0.0	0.0	0.0
Interests	0.0	0.0	0.0	0.0
TOTAL	17.8	23.7	25.3	45.5
Principal	10.0	15.6	16.7	18.7
Interests	7.9	8.1	8.6	26.8

Source: BNR

B. Private External Debt

Compared to public external debt, the private debt remains low. Nevertheless, it begins to grow with the privatization of public enterprises and the liberalization of capital account allowing private sector players to borrow from non-residents.

At the end of June 2013, the total stock of the private external debt reached an amount of USD 376.08 million and remained dominated by non-guaranteed external private debt with 75.2% against 74.8% at end of December 2012. The remaining 24.8 % is related to guaranteed external private debt.

3.4 Public Finance and Domestic Debt

3.4.1 Public Finance Developments

The 2012/2013 budget aimed at closing the fiscal gap through increased revenue mobilization and expenditure prioritization. However, there was major fiscal slippage mainly during the first half of the year driven by the suspension of aid by some donors and delays in approval of expected disbursement by others as evidenced by 20.2% reduction in external grants compared to the previous year. Total grants over GDP significantly dropped from 11.2% in the fiscal year 2011/2012 to 7.9% in the fiscal year 2012/13.

Table 21: Operations of the Central Government (in (FRW billion)

			Jul-Jun 2011/12		Jul-Jun 2012/13	
	Amount	% of GDP	Amount	% of GDP	Amount	% of GDP
Revenue and grants	863.4	24.8	1,049.1	25.7	1,101.3	23.9
Total revenue	484.3	13.9	591.8	14.5	736.4	16.0
Tax revenue	463.7	13.3	557.0	13.6	651.9	14.2
Direct taxes	180.9	5.2	228.5	5.6	282.0	6.1
Taxes on goods and services	245.1	7.0	282.6	6.9	315.1	6.8
Taxes on international trade	37.8	1.1	45.9	1.1	54.8	1.2
Non-tax revenue	20.6	0.6	34.7	0.9	84.5	1.8
Total Grants	379.0	10.9	457.3	11.2	364.9	7.9
Budgetary grants	215.0	6.2	265.7	6.5	190.0	4.1
Capital grants	164.0	4.7	191.7	4.7	174.9	3.8
Total expenditure and net lending	984.3	28.3	1,098.0	26.9	1,335.6	29.0
Current expenditure	527.0	15.1	614.1	15.0	633.9	13.8
Wages and salaries	122.0	3.5	144.8	3.5	168.9	3.7
Purchases of goods and services	124.1	3.6	149.5	3.7	123.1	2.7
Interest payments	15.6	0.4	18.4	0.5	30.7	0.7
Transfers	197.2	5.7	225.6	5.5	230.8	5.0
Exceptional social expenditure	68.1	2.0	75.8	1.9	80.4	1.7
Capital expenditure	438.6	12.6	482.9	11.8	564.5	12.3
Domestic	218.9	6.3	231.6	5.7	239.4	5.2
Foreign	219.7	6.3	251.3	6.2	325.1	7.1
Net lending	18.7	0.5	1.1	0.0	137.2	3.0
Overall deficit (payment order)						0.0
Including grants	-120.9	-3.5	-48.9	-1.2	-234.3	-5.1
Excluding grants	-500.0	-14.4	-506.3	-12.4	-599.2	-13.0
Change in arrears (net reduction-)	-11.9	-0.3	-13.7	-0.3	-9.1	-0.2
Overall Deficit (cash basis)						0.0
Including grants	-132.8	-3.8	-62.6	-1.5	-243.4	-5.3
Excluding grants	-511.8	-14.7	-520.0	-12.7	-608.3	-13.2
Financing	132.8	3.8	56.8	1.4	243.4	5.3
Foreign financing (net)	68.5	2.0	95.1	2.3	338.6	7.4
Drawings	76.4	2.2	104.7	2.6	354.1	7.7
Amortization (due)	-7.9	-0.2	-9.7	-0.2	-15.5	-0.3
Domestic financing	64.2	1.8	-38.2	-0.9	-95.2	-2.1
Errors and omissions/Adjustment-Deposit drawdown	0.0	0.0	-5.8	-0.1	24.9	0.5
Nominal GDP	3,483.7		4,080.9		4,605.9	

Source: MINECOFIN

3.4.2 Domestic Debt Developments

The stock of domestic debt at the end of financial year 2012/2013 was FRW 347.2 billion (7.5% of GDP/2012-2013), that is an increase of 4.5% compared to 2011/2012. The rise in the domestic debt stock reflected increases of FRW 7.0 billion in banking sector and FRW 41.7 billion in non-banking sector, despite FRW 33.4 billion decline in BNR debt stock. The growth of debt stock in banking and non-banking sectors was driven mainly by high issuance of T-bills for fiscal purpose which went up from FRW 12.6 billion to FRW 42.1 billion in the last 2 fiscal years. The growth structure of the domestic debt stock significantly confronts the effect of major fiscal deceleration mainly during the first half of the fiscal year 2012/2013.

With regard to holdings of domestic debt stock, BNR held at the end of June 2012/2013 FRW 128.8 billion, representing 37.1% of the total debt against 35% for banks (FRW 121.6 billion) and 27.9% for Non-banks (FRW 96.9 billion).

3.4.3 Public Debt Sustainability

Despite the recent increase in public and Government guaranteed external debt following the international sovereign bond issuance, the debt sustainability analysis (on calendar year basis) reveals that Rwanda remains at moderate risk of debt distress. The ratio of net Present Value (PV) to exports was 122% at end 2012 and is projected to stand at 144% for 2013, well below the threshold of 200% (new threshold) and 150% (old threshold).

Table 22: Rwanda Thresholds for External Debt (in percent)

Indicators	Thresholds	
	Before	Now
PV of Debt to GDP	40	50
PV of Debt to exports	150	200
PV of Debt to revenues	250	300

Source: BNR

It is worth noting that amid global economic conditions, the World Bank country institutional and policy assessment (CPIA)¹ which measures the extent to which a country's policy and institutional framework supports sustainable growth and poverty reduction, shows an improved score for Rwanda from medium (3.76) to strong CPIA score (3.81). This upgrade implies that Rwanda has improved its external debt sustainability, as evidenced by the new thresholds indicated in the table above.

¹ http://siteresources.worldbank.org/1F5CF8A1-407F-4FA8-85E8-4D07E68E37C6/FinalDownload/DownloadId-FE921E605198545F0ACA3EE046E59365/1F5CF8A1-407F-4FA8-85E8-4D07E68E37C6/AFRICAEXT/Resources/WB_CPIA_Report_v11.pdf

Box 2

- *Real GDP growth 2012/2013: 6.8%*
- *Exports value increase (end June 2013): 33.9%*
- *Imports value increase (end June 2013): 6.3%*
- *Imports cover (end June 2013): 32.5% (informal trade included)*
- *BOP (end June 2013): 210.96 USD million (surplus)*



CHAPTER IV

MONETARY SECTOR DEVELOPMENTS



4.1 Monetary and Exchange Rate Policy

The monetary and exchange rate policy was implemented in a challenging global economic and financial environment as well as uncertainties around donor inflows. To limit the inflationary pressures in a context of high depreciation of FRW exchange rate, The National Bank of Rwanda maintained a tight monetary policy stance keeping the policy rate at 7.5% over the financial year 2012/2013. Nevertheless, the reducing due to low inflationary pressures in Rwanda's trading partners and easing pressure on foreign exchange market created room for the , BNR monetary policy committee to cut the key repos rate from 7.5% to 7% on 18th June 2013 to further stimulate lending to the private sector and support the economic growth. With regard to exchange rate policy, BNR continued to maintain a flexible exchange rate regime, intervening only on the domestic foreign exchange market to smoothen the FRW exchange rate volatility. The Rwandan franc depreciated by 4.9% against the US dollar in the financial year 2012/2013.

4.2 Money Supply and Demand

Broad money M3 went up by 10.2% against 22.3% recorded in the same period of last financial year. This increase was mainly driven by the development in Net Foreign Assets which grew by 31.7% over the period under review, as a result of external disbursements while Net Domestic Assets declined by 21.7%.

The decrease in net domestic assets was attributed to a sharp decline in net credit to government (-276.3%) following an accumulation of deposits, boosted by the Eurobond proceeds, and an increase in credit to the private sector of 18.3% against 35.6% recorded in the same period of last financial year.

Table 23: Monetary Aggregates Developments, end period (in FRW billion)

	2011	2012			2013		% Change	
	Jun	Jun	Sep	Dec	Mar	Jun	Jun-12/ Jun-11	Jun-13/ Jun-12
Net foreign assets	485.3	513.7	468.8	555.8	475.6	676.7	5.9	31.7
Net domestic assets	234.3	366.2	366.4	334.1	409.5	286.8	56.3	-21.7
Domestic credit	400.9	554.2	572.0	544.1	627.1	518.5	38.2	-6.4
Central government (net)	-48.2	-52.2	-101.3	-137.2	-76.4	-196.6	-8.4	-276.3
Autonomous Agencies	-0.6	-2.2	-2.1	-2.3	-2.8	-3.0	275.5	37.2
Public enterprises	2.6	2.6	5.0	1.0	0.8	1.0	-2.6	-61.3
Private sector	447.0	606.1	670.4	682.5	705.4	717.1	35.6	18.3
Other items net (Assets: +)	-166.6	-187.9	-205.6	-210.1	-217.5	-231.8	-12.8	-23.3
Broad money M3	719.7	880.0	835.3	889.9	885.1	963.5	22.3	9.5
Currency in circulation	101.5	111.6	102.2	107.0	105.6	116.3	9.9	4.2
Deposits	618.2	768.4	733.1	782.9	779.5	847.2	24.3	10.2
of which: Demand deposits	272.7	331.0	315.1	319.2	318.7	390.0	21.4	17.8
Time deposits	233.2	305.1	281.4	299.1	303.6	296.5	30.8	-2.8
Foreign currency	112.3	132.3	136.6	164.6	157.2	160.6	17.8	21.4

Source: BNR

Regarding new authorized loans to the private sector, they slightly increased by 1.2% from FRW 457.7 billion in the financial year 2012/2013 to FRW 463.4 billion in the financial year 2012/2013 (April-June 2013) Commerce & Hotel (43.5%), Mortgage industry (20.5%) and Manufacturing industries (8.6%) remained the most financed activities as in the previous periods.

The overall moderate increase in authorized new loans is explained by a significant slowdown in the second half of the year following the banks' policy to enhance their risk management, after a high increase in credit distribution registered in the first half of the year.

However, bank loans to the private sector significantly improved in the fourth quarter of 2012/2013 compared to the third quarter, amounting to FRW 122.9 billion against FRW 97.6 billion recorded between January and March 2013 and exceeding the level of new authorized loans of the second quarter of 2012.

Concerning the money demand, currency in circulation increased by 4.2% in the financial year 2012-2013 compared to 9.9% in 2011-2012. The main reasons of this development in currency in circulation are the contraction in demand for cash as a result of the on-going modernization in payments system which progressively reduces the use of cash, and the slowdown in economic activities compared to the previous year. Similarly, total deposits within the banking system increased by 10.2% by end June 2013, against 24.3% registered in the same period of 2011-2012. This increase was entirely attributed to demand deposits which expanded by 17.8%, partially offset by a decline in time deposits by 2.8%. In addition, foreign currency deposits recorded an upward trend in 2011-2012 and 2012-2013 with a growth of 17.8% and 21.4% respectively.

4.3 Liquidity Conditions and Interest Rates Developments

The banking system liquidity as evidenced by liquid assets comprising of investments in monetary policy and fiscal instruments as well as the excess reserves, has significantly improved in the financial year ended June 2013. Indeed, total outstanding liquid assets increased by 11.5% from FRW 211.7 billion by end of financial year 2011/2012 to FRW 236.0 billion by end of financial year 2012/2013.

Table 24: Outstanding of Liquid Assets of Commercial Banks (in FRW billion)

	2012				2013				
	Jun	Sept	Dec	Jan	Feb	Mar	Apr	May	Jun
T-bills	90.4	62.8	55.5	72.2	74.5	76.5	83.1	74.2	103.0
Repo and Deposit Standing Facility	100.4	16.5	52.5	20.0	27.5	17.1	25.4	54.0	90.2
Excess reserves	18.3	20.6	22.3	20.8	22.7	20.2	22.7	23.1	28.3
Cash in vault	2.6	7.6	14.8	16.4	14.6	20.3	13.0	13.7	15.3
Total	211.7	107.4	145.0	129.5	139.5	134.0	144.2	165.0	236.0

Source: BNR

With regards to interest rates developments, short-term interest rates have been in line with the changes in liquidity conditions. They have significantly increased in the first half of the financial year following higher demand of Government for domestic financing to cope with the suspension and delays in budget support. T-bills and interbank rates registered the highest levels of 12.4% and 11.1% respectively in December 2012, while repo rates attained the Key Repo Rate (KRR) of 7.5%, the maximum level the central bank could pay to mop up the excess liquidity.

However, with the improvement of short term liquidity in the banking system as the Government demand for T-bills eased and the impact of the decision of the Monetary Policy Committee to lower the KRR to 7.0%, took effect, money market rates declined toward the end of 2012/2013. By end June 2013, T-bills, interbank interest and repo rates respectively fell to 10.8%, 9.6% and 6.7%.

Table 25: Interest Rates (in %)

	2012				2013					
	Mar	Jun	Sep	Dec	Jan	Feb	Mar	Apr	May	Jun
BNR Policy Rates										
Key Repo Rate	7.0	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.0
Discount Rate	11.0	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.5	11.0
Money Market Rates										
Repo rate	6.9	7.4	7.5	7.5	7.4	7.4	7.0	7.2	7.1	6.7
Standing Deposit Facility	-	-	-	5.5	5.5	5.5	5.5	5.5	5.5	5.0
Standing Lending Facility	-	-	-	9.5	9.5	9.5	9.5	9.5	9.5	9.0
Treasury Bills Rate	7.7	9.3	12.3	12.4	12.4	12.2	12.1	12.0	12.0	10.8
Commercial Banks rates										
Interbank Rate	7.7	9.0	10.8	11.1	11.1	10.4	10.0	10.9	11.1	9.6
Deposit Rate	8.2	7.9	8.5	10.0	11.8	10.3	10.4	10.7	11.6	11.5
Lending Rate	16.3	16.8	17.1	16.5	17.1	17.1	17.2	17.3	17.6	17.7

Source: BNR

Regarding market interest rates, deposit rates increased from an average of 7.9% to 11.5% in June 2013, after having reached 11.6% in May 2013. This trend was due to increased competition as commercial banks sought to attract new deposits to finance loans. As a result, the weighted average lending rate increased from 16.8% to 17.7% between June 2012 and June 2013.

However, interest rate spread between lending rate and deposit rate has been reducing overtime due to the competition within the banking sector, recent reforms in the financial sector and new entries in sector and real interest rates remained positive supporting private sector savings.

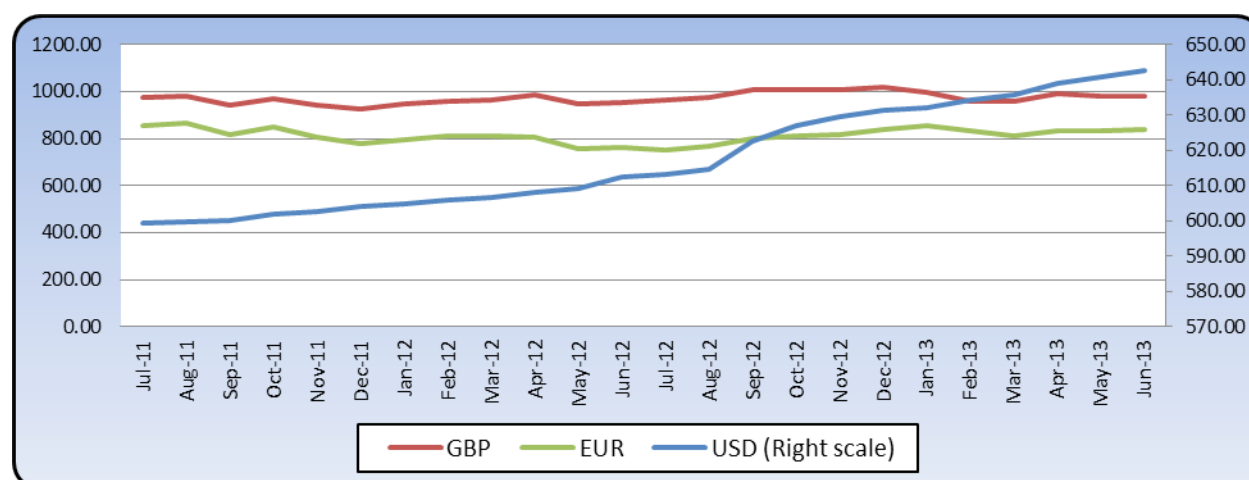
4.4 Exchange Rate and Foreign Exchange Market Developments

Being market driven, the exchange rate has been under relative pressure resulting from a rapidly increasing demand in response to imports. Through its policies and measures, including effective communication and market discipline, the Bank managed to ensure the stability of the currency was achieved.

4.4.1 Exchange Rate Developments

The FRW depreciated by 4.9%, trading between 612.42 end June 2012 and 642.67 end June 2013 against a depreciation of 2.2% recorded for the last fiscal year 201/2012. In the same period, the FRW depreciated by 2.0% and 11.3% against the GBP and EURO respectively.

Figure 3: Evolution of Nominal Exchange Rate, Leading Currencies Against USD



Source: BNR

Similarly, the FRW depreciated against KES and TZS respectively by 2.6% and 3.0%, while appreciated against Ugandan shilling and Burundian franc by 0.1% and 3.5% respectively.

Following an appreciation recorded in the second half of fiscal year 2011/2012, the Real Effective Exchange Rate (REER) has depreciated during the first half of fiscal year 2012/2013 then remained quite stable in the second half of 2012/2013. The moderate bilateral depreciation against USD, EURO and GBP recorded during the period has been offset by a moderate inflation differential with most of Rwanda's trading partners.

Figure 4: Real Effective Exchange Rate with ten Major Trading Partner Countries



Source: BNR

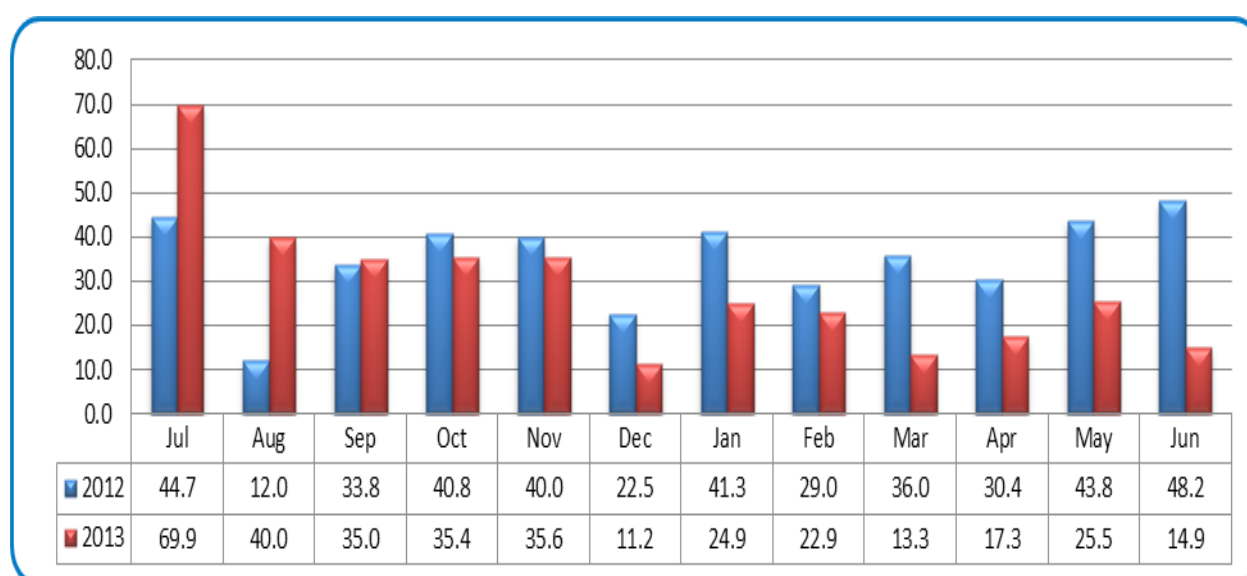
4.4.2 Foreign Exchange Market Developments

To improve the domestic foreign exchange market, the Bank has spearheaded the establishment of the Dealers' Association in order to ensure an organized domestic foreign exchange market. This has not only enforced rules of the game, but also provided the platform for information sharing and capacity building.

Uncertainties in the global economy have been the main factor of reducing forex resources in the banking system over the last years, especially donor inflows. In the context of increasing demand for imports to support the dynamic economic activities, pressures on forex market have been the key challenge for the Bank to continue sustaining the exchange rate stability.

Besides, the foreign exchange resources in the banking system have increased by 4.2% in the financial year 2012/2013 compared to the last financial year. However, this increase was not sufficient to meet the high demand for imports as the central bank intervened on the foreign exchange market by selling to banks USD 345.79 million. Nevertheless, following less demand for imports in the second half of the financial year under review, the amount sold was significantly lower compared to USD 422.22 million in the previous financial year 2011/2012 when the country was facing high demand for imports, in line with a strong economic growth of 9.1%.

Figure 5: BNR Sales to Banks in USD Million



Source: BNR

4.5 Reserves Management

BNR is mandated to manage the official foreign exchange reserves by the Law n° 55/2007 governing the Central Bank of Rwanda. The Board of Directors is responsible for the approval of the Foreign Exchange Reserves Policy. Among other things, the policy describes the rationale for holding reserves; the objectives for the management of the reserves; the risk tolerance and other constraints on the management of the reserves; and the roles, responsibilities & accountabilities of the department in charge of the reserves management.

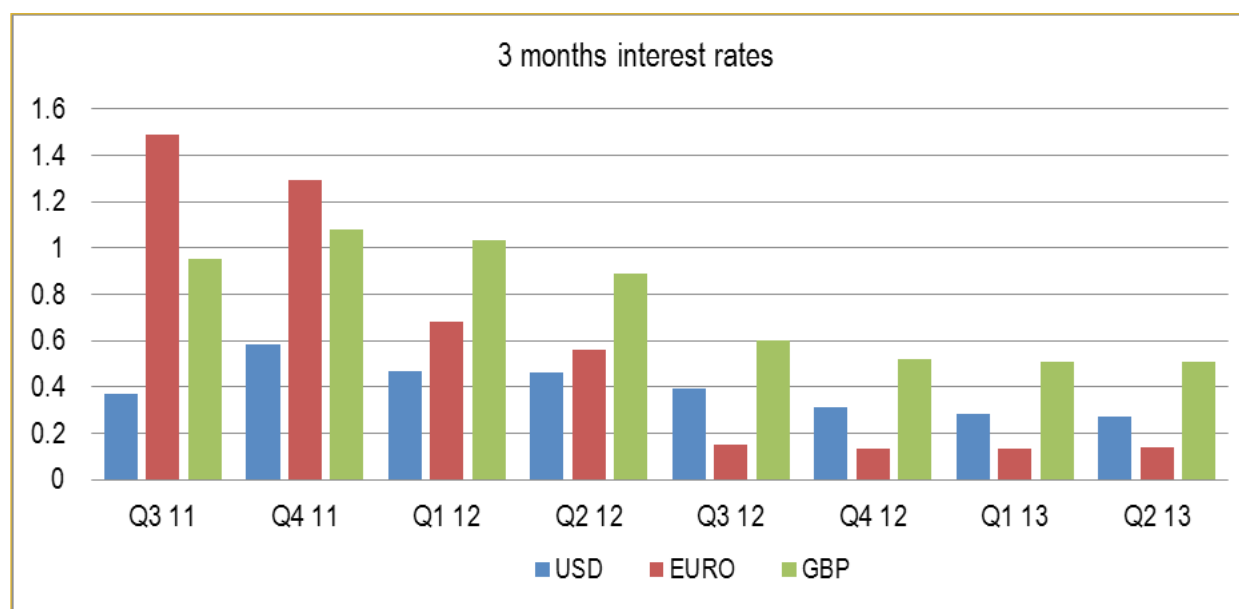
The Board delegates to the Reserves Management Committee the approval of the Guidelines that specify limits and parameters on portfolio management operations in order to ensure compliance with the Investment Policy. The Guidelines are intended to make the policy operational. Reserves Management Committee is chaired by the Vice Governor and meets once a month in ordinary meetings and at any time there is need.

BNR manages the official foreign exchange reserves by adhering to the three investment principles of capital preservation, liquidity and income generation.

4.5.1 Performance

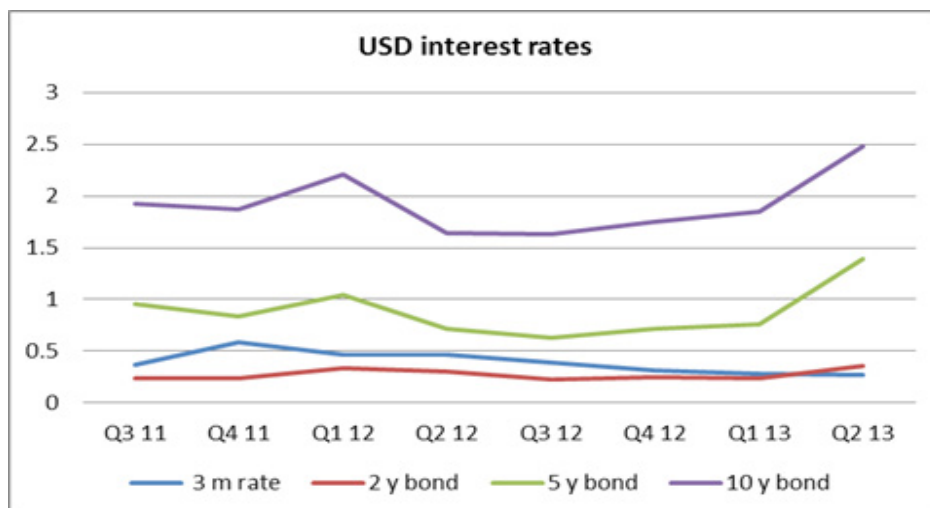
Between July 2012 and June 2013, the performance of the reserves management was negatively impacted by the global economic environment. The international market was marked by historically low yields stemming from the global crisis and the sovereign credit risk in the Eurozone. The following graphs give the evolution of (1) the returns on 3 months term deposits on the major currencies; (2) the USD interest rates; and (3) the 2 years bond rates from the third quarter 2011 to the second quarter 2013.

Figure 6: Three months term Deposit Interest Rates



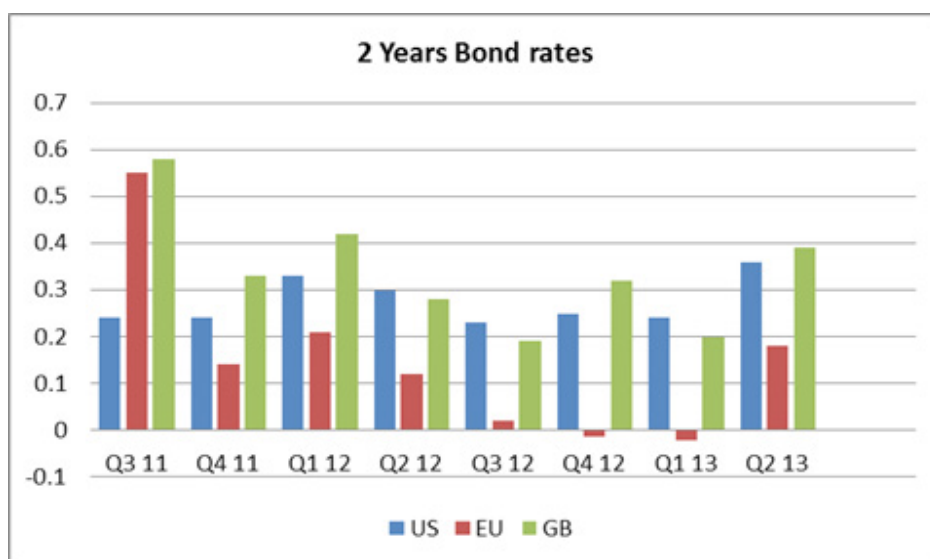
Source: Bloomberg

Figure 7: USD Interest Rates



Source: Bloomberg

Figure 8: Two years bond rates



Source: Bloomberg

In addition to the low yields, the performance of reserves management also suffered from the disruption in budget support disbursements as well as higher import bills and intervention in the market by the Bank, which resulted in significant reduction in the stock of reserves. Foreign exchange reserves declined significantly to 4.8 months of imports from 6.7 during this period under review.

Despite these challenges, BNR was able to preserve the capital and provided liquidity while earning a reasonable but lower return than in the previous periods. In US Dollar terms, the foreign reserves return was 0.39% in 2012-2013 compared to 0.76% earned in 2011-2012.

4.5.2 Changes in the Reserves Management Strategies

At the advice of the Reserves Management Committee, the Board of Directors approved the Strategic Assets Allocation to the proportion of 64% invested in Bonds and 36% invested in cash (short term).

Following the 2007/2008 Financial Crisis, followed by the 2011 European sovereign debt crisis, there has been a reduction in the pool of AAA sovereign government bonds following the downgrade of a certain number of AAA rated countries, while in the same time, demand for safe assets (sovereign bonds) have been increasing. The policy in place stipulated that minimum rating for sovereign holdings should be rated at least AA, with at least 50% of the reserves invested with AAA rating. The minimum acceptable threshold was no longer giving the possibility and flexibility of investing in securities issued by sovereign entities which were downgraded in the last European crisis. The Reserves Management Committee therefore undertook the revision of the minimum sovereign credit rating from AA to A-, opening the possibility of tapping into the lower pool of AA to A- rated, without taking unnecessary risk. This move has been considered by many Central Banks in the search of higher yields without jeopardizing the security.

Table 26: BNR's credit exposure evolution (in % of total reserves)

Period	AAA	AA+	A+	A	BBB+	Total
Sep-12	81.5	3.5	12	1	2	100
Dec-12	81	1	14	3	1	100
Mar-13	82	0.5	14.5	2	1	100
Jun-13	58	5	32	4	1	100

Source: BNR

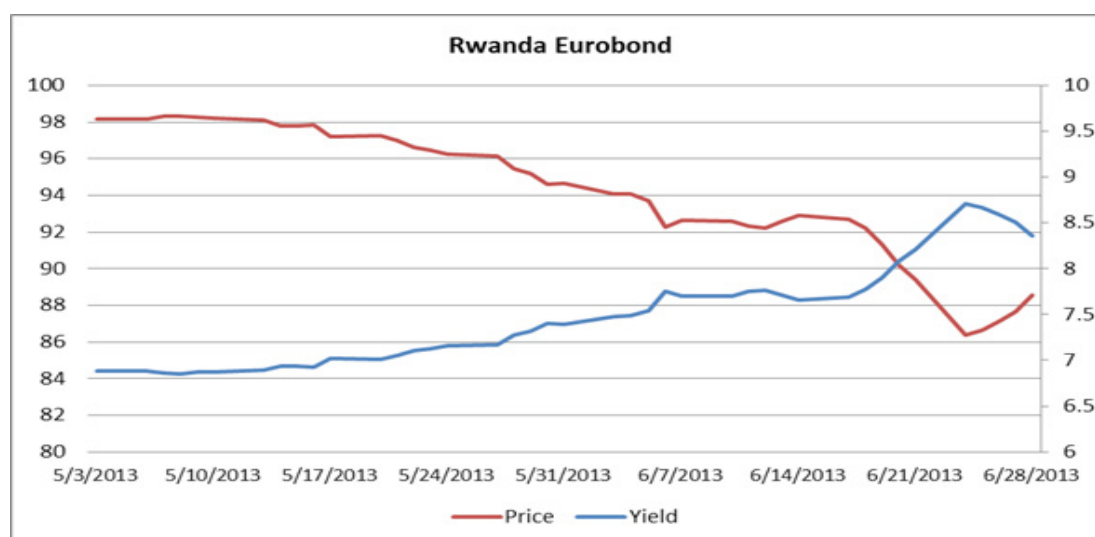
4.5.3 Eurobond Issuance

The low yields in developed markets opened some opportunities for the emerging markets. The movement of capital from developed markets to emerging markets intensified in search of higher returns. This situation opened opportunities for a number of developing countries to issue foreign denominated debt securities.

Rwanda's debut 400 million USD 10-year Eurobond was issued on May 2nd, 2013 and was 8 times oversubscribed. It fetched one of the best yields for countries of the same category, at 6.875%. The Price was 98.213 with a coupon of 6.625.

Following the remarks by the US Federal Reserve President on the envisaged winding of the quantitative easing, there was sensible hike in the US Treasuries yields, especially the 10 years US Treasury which is considered as a benchmark for many emerging markets including the Rwanda Eurobond. This affected the performance of bonds across the board, and the price of the Rwanda Eurobond fell from 98.213 to 88 by June, while the yield had gone up by 150 bps at the end of June 2013.

Figure 9: Rwanda Eurobond Price and Yield



Source: Bloomberg

4.5.4 Internal Capacity Building

Within its capacity building plans, the Bank has been facilitating the staff involved in Reserves Management to acquire required skills and knowledge. Through the combination of short courses, workshops, mentoring, coaching, attachments, internship and in-house training, the Bank has been able to progressively build the required skills for the staff.

However, the ever-increasing global economic uncertainties demand high analytical capacities and enhanced reserves management skills in order to mitigate potential risks. These skills are still not adequate but the Bank's three-year rolling capacity building plan has taken these needs into consideration.

Thanks to the RAMP programme of the World Bank, over the reporting period, staff continued to practice pure indexation on an internal portfolio, as they train on the job to do reserves management, in addition to other courses highlighted above. Over the period, front and middle-office staffs were trained on enhanced indexation techniques, preparing to graduate to enhanced indexation in the course of 2013. Also with the support of RAMP, the Bank introduced PAT2 installation and conducted acceptance tests. This IT system will improve PAT1 in areas of comprehensive reserves management and reporting, in a manner that is fully automated, as it is interfaced with the core banking system of the Bank.

4.5.5 Way Forward

Given the Global economic developments which continue to be characterised by high levels of uncertainties, the effects are likely to remain a feature of the world economy for years to come. The demand for foreign exchange to support economic development of Rwanda will continue to put pressure on the official reserves. There is need to urgently find mechanism to increase the level of the foreign reserves. Despite significant improvements in export revenues, the expenditures on imports will continue to grow in order to sustain the rhythm of economic growth strategies. There is need therefore for policy initiatives aimed at developing a strategy to increase foreign exchange reserves.

Box 3

- *Annual headline inflation rate (June 2013): 3.7%*
- *BNR Central Bank Policy rate (as of June 2013): 7.0%*
- *Annual increase of Broad Money (end June 2013) : 10.2%*
- *Annual increase of Credit to private sector (end June 2013):18.3%*
- *Annual FRW depreciation vs USD (as of June 2013): 4.9%*



CHAPTER V

FINANCIAL SECTOR STABILITY



In spite of consolidation of the steps already made to restore the financial sector stability, the supervision activities continued to be strengthened; the process of application of Risk Based Supervision completed; an intensive awareness campaign on credit reference services conducted and the banking and microfinance law drafted as well as deposit insurance law.

Furthermore, the Bank continued to put in place necessary orientations to strengthen the professionalization of microfinance sector in order to increase access to financial services. In addition to the deposit insurance scheme laws for banks and MFIs, the Bank contributed to the completion of the merging process of small SACCOs into viable ones.

Moreover, the non-banking financial sector health continued to be improved by strengthening notably the regulatory and supervisory legal framework for pension and insurance.

As a result, the financial sector as a whole is sound and stable. In addition, the SACCOs continued to play a significant role in expanding financial inclusion with an increase by 24.3% of gross loans, moving from FRW 51.4 billion to FRW 63.9 billion between June 2012 and June 2013.

5.1 Banking Sub-sector Performance

At end June 2013, the Rwandan banking sub-sector consisted of nine commercial banks, three microfinance banks, one development bank and one cooperative bank. The commercial banks dominate the sub-sector by 80.5% of the total sector assets.

During the period under review, the sector has continued to exhibit significant performance as evidenced by the capitalization, asset, profitability and liquidity indicators. This was achieved mainly through established strong supervisory mechanisms of on-site inspections and off-site surveillance.

In terms of total assets, the sector recorded an amount of FRW 1,381.2 billion end June 2013 compared to FRW 1,247.7 billion end December 2012 and FRW 1,207.8 billion end June 2012. The total asset growth is mainly attributable to loans (on-balance sheet) growth that registered an increase of 17.7% from FRW 669.2 billion end June 2012 to FRW 788.2 billion end June 2013.

The growth in lending was achieved mainly using deposits resources which also increased significantly from FRW 827.9 billion end June 2012 to FRW 940.7 billion end June 2013, representing a growth of 13.6%.

Table 27: Performance Achievement (in FRW billion)

	Jun. 2012	Jun.2013
Total assets	1,207.8	1,381.2
Total deposits	827.9	940.7
Total loans	669.2	788.2
NPLs	45.1	62.5
Profit after tax	12.9	14.0

Source: BNR

Soundness indicators

The solvency ratio was 23.1% by end June 2013, against 25.1% end June 2012. The non-performing loans (NPL) as well as the sub-sector's profitability, as measured by ROA and ROE, stood at 6.9%, 2.1% and 9.9% from 5.8%, 2.2% and 10.6% by end June 2012 respectively. Liquid assets to total deposits stood at 46.2% end June 2013 against 47.6% end June 2012.

Although some performance indicators recorded a declining trend essentially due reinforcement of regulation on credit classification enacted in 2012, they all remained above the regulatory requirements.

Table 28: Key Soundness Indicators (in percentage)

Indicator \ Period	2012			2013	
	June	September	December	March	June
Solvency ratio (total capital)	25.1	24.1	23.9	24.6	23.1
NPLs to Gross Loans	5.8	6.3	6.0	6.7	6.9
NPLS net to Gross loans	4.2	5.0	5.4	5.9	3.2
Provisions to NPLs	51.1	49.3	53.6	49.0	54.8
Earning Assets to Total Assets	81.4	79.0	79.5	80.6	80.8
Large Exposures to Gross Loans	9.5	11.8	9.1	8.4	8.0
Return on Average Assets	2.2	2.3	2.2	2.5	2.1
Return on Average Equity	10.6	11.1	10.4	11.9	9.9
Cost of deposits	2.9	2.6	2.9	3.5	3.5
Liquid assets to total deposits	47.6	40.2	41.2	40.5	46.2
Forex exposure to core capital	-1.5	0.2	-0.3	-1.1	-3.0

Source: BNR

Box 4

Financial soundness indicators (Banking system):

- *Solvancy (June): 23.1%*
- *NPL (June): 6.9%*
- *Profitability (June): 2.1%*
- *Liquidity (June): 46.2%*



5.2 Microfinance Sub-sector Performance

Comprised of 490 institutions of which 12 limited companies and 478 SACCOs including 416 UMURENGE SACCOs, the Microfinance sub-sector assets registered an increase of 28.7% from June 2012 to June 2013, rising from FRW 94.8 billion to FRW 122.1 billion. The increase was mainly driven by the liquid assets and gross loans which increased by 23.6% and 24.3%, moving from FRW 38.5 billion to FRW 47.6 billion and from FRW 51.4 billion to FRW 63.9 billion, respectively.

Table 29: MFIs Performance Indicators (UMURENGE SACCOs included, FRW in billion unless otherwise stated)

Performance indicators in value				
Denomination	Jun-12	Dec-12	Jun-13	Var Jun-12 To Jun-13 (%)
Total Assets	94.8	101.0	122.1	8.7
Cash & Cash equivalent	38.5	31.5	47.6	23.6
Loan Portfolio (Net of Provisions)	39.1	56.5	60.9	55.7
Gross Loans	51.4	59.2	63.9	24.3
Non-Performing Loans	4.3	5.1	5.7	32.2
Provisions	2.4	2.7	3.2	33.1
Total Deposits	56.6	54.5	68.9	21.9
Current Accounts	45.3	40.4	53.3	17.5
Net Equity	24.5	30.1	38.5	57.1
Soundness indicators (%)				
NPL (Max 5%)	8.4	8.5	8.9	
Liquidity (Min 30%)	84.6	81.9	89.3	
CAR (Min 15%)	25.8	29.8	31.5	

Source: BNR

As illustrated above, the microfinance sub-sector continues to grow while remaining liquid and well capitalized. The capital adequacy (CAR), the liquidity and the non-performing loans stood at 31.5%; 89.3% and 8.9% in 2013 against 25.8%; 84.6% and 8.4% in 2012 respectively.

Concerning UMURENGE SACCOS as a block, the entity recorded a growth of 22.4% in deposits, reaching FRW 37.0 billion in June 2013 from FRW 30.3 billion in June 2012. As result, total assets increased from FRW 40.9 billion to FRW 54.7 billion (33.9%) and granted loans reached FRW 16.4 billion from FRW 10.0 billion in June 2012.

Relating to the quality of credit portfolio, NPLs have recorded an increase of 6.1% in June 2013 from 2.6% in June 2012 due mainly to the increase of granted loans by new licenced SACCOs.

With regards to liquidity, its ratio in June 2013 was 82.6% from 92.8% in June 2012 while the capital adequacy improved from 20.0% to 27.0%.

Table 30: UMURENGE SACCO Performance Indicators (in FRW billion unless otherwise stated)

Performance indicators in value				
Denomination	Jun-12	Dec-12	Jun-13	Var Jun-12 to Jun 2013
Jun-13 (%)				
Total Assets	40.9	40.9	54.7	33.9
Cash &Cash equivalent	28.1	22.2	30.6	8.9
Loan Portfolio (Net of Provisions)	9.9	13.6	15.9	61.3
Gross Loans	10.0	13.9	16.4	63.8
Non Performing Loans	0.3	0.7	1.0	287.1
Provisions	0.1	0.3	0.4	291.0
Total Deposits	30.3	28.2	37.0	22.4
Current Accounts	28.5	25.4	33.8	18.8
Net Equity	8.2	10.6	14.8	80.4
Soundness indicators (%)				
NPL (Max 5%)	2.6	5.3	6.1	
Liquidity (Min 30%)	92.8	79.0	82.6	
CAR (Min 15%)	20.0	25.9	27.0	

Source: BNR

In addition, 334 UMURENGE SACCOs (80.2%) reached the breakeven in June 2013 compared to 304 in December 2012, a good step towards self-sustainability. It is expected that the remaining SACCOs will have breakeven in one year period. Thus, the entire UMURENGE SACCO network will be self-reliant without government support.

Furthermore, the financial year 2012/13 has been characterized by impressive progress realized by UMURENGE SACCOs in terms of premises building and information technology (IT) facilities paving the way for their computerization and progress consolidation.

Table 31: UMURENGE SACCOs Premises and IT Equipment

SACCOs' infrastructure	30-Jun-13	Percentage
Operating in own office	243	58%
With unfinished building	95	23%
With plots	60	14%
Operating in Government office	124	30%
Renting	49	12%
With Laptops	313	75%
With Desktops	416	100%
With printers	416	100%
With management software	0	0%
With Electricity (solar& generator included)	365	88%
With internet (modem included)	391	94%
With Notes Detectors	37	9%

Source: BNR

5.3 Access to Finance

Outstanding loans granted to SMEs by banks (excluding MFIs and SACCOs) increased by 14% from FRW 161.9 billion end December 2012 to FRW 183.9 billion end June 2013 representing 23.3% of the total portfolio of the banking sector against an increase of 14.4% in microfinance sub-sector.

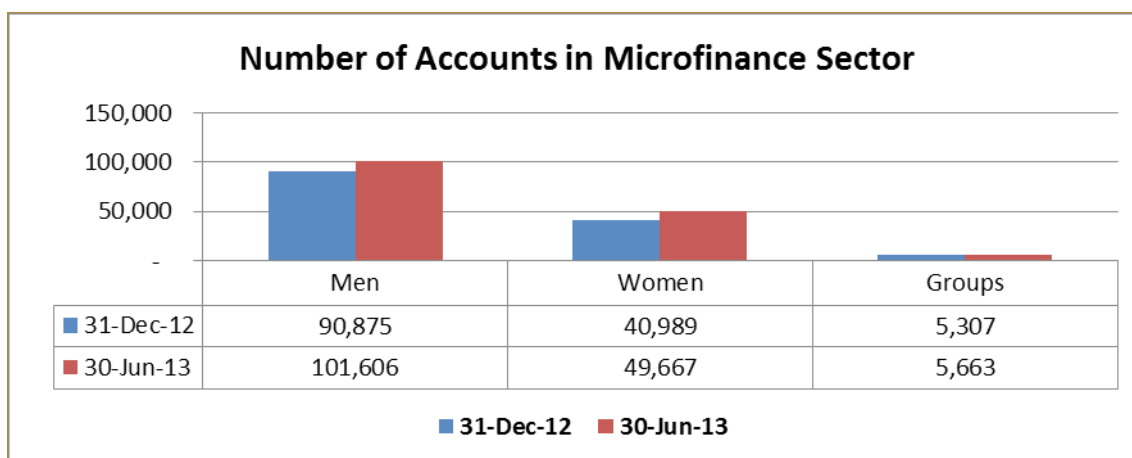
Concerning microfinance sub-sector, the number of accounts opened increased by 11.3% between December 2012 and June 2013; accounts belonging to women representing 38.7%. Furthermore, outstanding loans granted to women represent 31.6%.

Table 32: Outreach in Microfinance Sub-sector

		Dec-12	Jun-13	Change Jun.13/ Dec.12 (%)	% of each group
Number of accounts	Men	1,079,161	1,190,389	10.3	53.8
	Women	784,750	857,139	9.2	38.7
	Groups	124,782	165,868	32.9	7.5
	Total	1,988,693	2,213,396	11.3	100.0
Number of outstanding loans	Men	90,875	101,606	11.8	64.7
	Women	40,989	49,667	21.2	31.6
	Groups	5,307	5,663	6.7	3.6
	Total	137,171	156,936	14.4	100.0

Source: BNR

Figure 10: Number of Accounts in Microfinance Sector



Source: BNR

In regard with youth access to finance, total loans granted to persons aged of 35 years and below show an increase of 57.4%, from FRW 34.5 billion for the first half 2012 to FRW 54.35 billion in 2013.

5. 4 Non-bank Financial Institutions Performance

The non-bank financial institutions are comprised of insurance and pension sectors, regulated by the National Bank of Rwanda to protect interests of policyholders and pensioners by ensuring that these institutions are financially sound and stable.

Insurance Sector

As at 30th June 2013, the insurance sector was composed of ten (10) private and two (2) public insurers, making a total of twelve (12) insurance companies in the market. In addition, the sector has market players in terms of insurance intermediation mainly composed of nine (9) insurance brokers, one hundred fifty five (155) agents and eight (8) loss adjusters. Between June 2012 and June 2013, the insurance sector performance improved well.

The total assets of the Rwandan insurance sector reached FRW 219.4 billion from FRW 176.3 billion (June, 2012), that is a growth of 24%. The 10 private insurers had total assets of FRW 93.3 billion representing 42% of the sector's assets while the two public insurers' total assets accounted for FRW 126.1 billion that is 58% of the sector's total assets.

In addition, the total capital increased by 43% from FRW 119.3 billion (End of June, 2012) to FRW 157.6 billion as at June, 2013. The two public insurers' total capital accounted for FRW 121.8 billion representing 77% of the sector's total capital.

**Table 33: Financial Soundness Indicators for the Non-Bank Financial Institutions
(FRW billion unless otherwise indicated)**

Performance indicators in value				
Particulars	Dec-11	June-12	Dec-12	June-13 ²
Total assets	158.2	176.3	197.9	219.4
Total capital	103.2	119.3	135.4	157.6
Total gross premiums	45.7	33.2	67.5	39.3
Underwriting profit	3.4	6.7	16.8	8.3
Total net profit	10.788	12.2	37.5	16.4
Performance indicators (%)				
Particulars	Dec-11	June-12	Dec-12	June-13
Claims ratio in percent	52	46	38	44
Combined ratio in percent	91	77	71	76
Current ratio (percent)	245	267	332	308
Return on equity ratio(ROE) percent	12	23	31	21
Return on assets ratio(ROA) percent	8	14	21	15

² Non-Bank Financial Institutions' quarterly returns as at end of June 2013.

Source: BNR

The gross premiums increased by 18% from FRW 33 billion (June, 2012) to FRW 39 billion (June, 2013). The private insurers recorded a larger share of FRW 21.9 billion compared with FRW 17 billion of public insurers.

Subsequent to the existing regulatory and legal framework, the insurance sector is continuously becoming profitable. In the period under review, the underwriting profit increased by 24% from FRW 6.7 billion to FRW 8.3 billion and the profitability after tax increased also by 29% from FRW 12.2 billion to FRW 16.4 billion.

Similarly, the liquidity position of the insurers is considered strong as the current ratio stood at 308%. The return on assets increased from 14% to 15% while the return on equity decreased from 23% to 21% in the period under review.

Pension Sector

The pension sub-sector is comprised of one public social security fund and 53 private pension schemes managed by insurers. The sector performed well increasing by 28% in assets, 29% in contributions received from members, 18% in benefits paid and 66 % in investment income as illustrated bellow.

Table 34: Public Pension Sector Financial Indicators (in FRW billion unless otherwise indicated)

Indicators	Jun-12	Jun-13	% change
Assets	298.9	383.5	28
Contributions from members	42.9	55.3	29
Benefits paid	8.4	9.9	18
Investment income	10.7	17.8	66

Source: BNR

5.5 Regulatory and Supervision Framework

To accommodate the market dynamism and allow the implementation of the recommendations as stipulated in the Financial Sector Development Program (FSDP-II) strengthening the regulatory framework, the banking law is under review. Subsequently, regulations implementing the banking law will be developed while the draft of deposit insurance law is in approval process.

In addition, two new banks, one microfinance bank and one commercial bank got no objection to operate and are in process of looking for office premises before getting licenses.

Concerning microfinance sub-sector, all 416 SACCOs under UMURENGE SACCO Program were fully licensed allowing them to perform all activities authorized by the microfinance law and regulations, including loans granting. Furthermore, off-site and on-site inspections were performed on regular basis allowing to perform licensing process of SACCOs established in line with UMURENGE SACCO program.

In regard with Non-Bank Financial institutions, activities accomplished include modernization of the reporting system by supervised institutions, publication of the regulation on winding up and dissolution of the insurance companies, follow up of the enactment of the draft pension law currently under examination in Parliament, sensitization of the insurers to be innovative and to look for ways to increase their customer base and consequently increasing the penetration and coverage. The Bank also worked with East African Insurance Supervisors on the harmonization of the cross border supervision framework in the region.

5.6 Credit Information System

The private credit reference bureau (CRBAfrica) continued to share credit information with all mandatory participants for the purpose of minimizing credit moral hazards for the credit underwriting process. All financial institutions (Banks, MFIs/SACCOs, Insurance companies and 57% of UMURENGE SACCOs) have signed memorandum of understanding with CRBAfrica and regularly provide data to CRBAfrica. The remaining UMURENGE SACCOs will start sharing credit information by September 2013.



In addition to mandatory participants (financial institutions), voluntary participants such as the utility companies (EWSA) and telecom companies (MTN&TIGO) are sharing credit information regarding their clients. The private credit bureau coverage by adult population increased to 17.2% end June 2013 from 12.8% in December 2012.

Furthermore, the Bank with the support of African Development Bank (AfDB) has conducted a public awareness campaign on credit reference services in March-April 2013, to sensitize lenders, consumers, participants and policy makers on the role of credit information sharing and consumer rights.

Going forward, the National Bank of Rwanda will continue to ensure improved quality and coverage of credit information sharing with voluntary participants to include retail traders (supermarkets, breweries, etc..), new licensed financial institutions as well as other credit granting institutions. Furthermore, the private credit bureau (CRBAfrica) plans to offer a new product that is credit scoring (a rating method of borrowers allowing lending institutions to access a customer's creditworthiness), by December 2013.

CHAPTER VI

**INTERNATIONAL
COOPERATION**



6.1. The EAC Monetary Cooperation and Financial Stability Initiatives

The Bank continued to be actively engaged in a number of regional integration initiatives, particularly those related to monetary and financial sector harmonisation and cooperation. Under the Monetary Affairs Committee (MAC), the Bank together with other partner Central Banks committed to implement a number of decisions including; enhance currency convertibility in the region; fast track the implementation of the East African Payment Systems; streamline and harmonise the legal and regulatory frameworks particularly with regard to the banking and microfinance sub-sectors; and build requisite technical capacity to facilitate effective conduct of monetary policy and support the East African Monetary Union integration.

6.1.1 Cooperation in Monetary and Exchange Rate Policies

As negotiations of the Monetary Union protocol was underway, EAC central banks have committed to cooperate in harmonising their monetary and exchange rate policies. To achieve this objective, a number of studies have been conducted purposely to unveil differences in the monetary policy frameworks and the inherent challenges underlying monetary policy implementation in the Region.

Furthermore, cooperation in monetary policy has been marked by the formulation of a common monetary policy communication strategy for the region. This meant to harmonise how monetary policy is communicated in the 5 member states and enhancing monetary policy effectiveness and transmission mechanism.

To facilitate intra-regional trade, EAC Central Banks have embarked on initiatives to foster the convertibility of regional currencies. They include; conducting studies on the current status of currency convertibility in the region; amending the necessary legal framework; and establishing a currency repatriation mechanism in the region.

6.1.2 Integration of Payment Systems in the EAC

In order to enable cross border transactions to be processed in an efficient manner, partner states central banks embarked on establishing an East African Payment System (EAPS). The first phase of the project entailed developing country payment systems (RTGS) and all the necessary infrastructures, and thereafter interlinking the regional payments systems. The next step will cover establishing a joint oversight framework to ensure security of the regional payment system.

The module that will accommodate EAPS and related SWIFT connectivity is being developed. The system is expected to be completed in February 2014.

6.1.3 Financial Markets

In regard to operations, the regional body is advancing harmonization for the monetary and exchange operations, that is, the harmonization of liquidity and collateral management frameworks.

In 2012/2013 EAC Central Banks Governors considered and approved a framework for a harmonized methodology for computation and publication of reference exchange rates in the region.

Furthermore efforts are under way in the EAC, to jointly target remittances from the EAC citizens in the Diaspora for investment. A joint strategy has been developed and action plan drawn to exploit this foreign capital potential source.

Finally, regional financial literacy has been one of the priorities of the regional Central Banks. Efforts are underway for EAC Partner States' Central Banks to formulate a harmonized financial literacy program relating to financial markets development and instruments.

6.1.4 Bank Supervision and Financial stability

BNR with other EAC Central Banks committed to review their legal and supervisory tools in order to comply with Basel Committee standards. For this purpose, EAC Central Banks undertook a study to assess the convergence criteria, and a peer review of the Basel Core Principles was done.

6.1.5 Supervision of Non Bank Financial Institutions

BNR being the supervisor for Non-Bank Financial Institutions (insurance and pension sectors), the Bank participated to the EAC sector supervision initiatives. In the period under review, the East Africa Insurance Supervisor's Association (EAISA) undertook initiatives to have a stable insurance sector in the region. The initiatives included identifying gaps in the regulatory and supervisory framework of insurance business in the region and recommending remedial actions, with clear timelines, for the identified gaps. In addition, arrangements of conducting group wide and cross-border supervision of insurance companies that operate in more than one jurisdiction were in progress.

6.2 The Comesa Monetary Cooperation and Financial Stability Initiatives

Under COMESA monetary and financial integration, the COMESA Committee of central banks' Governors took a number of decisions aiming at improving the activities of the COMESA Monetary Institute (CMI) and the operations of the Regional Payment and Settlement System (REPSS).

The CMI charter has been signed by 12 member countries and became operational in 2011. The Institute undertook a number of activities which were in the 2012 work plan of the Monetary and Exchange Rates Policies Sub-Committee and the Financial System Development and Stability Sub-Committee.

A new flagship joint report of COMESA and AfDB on Facilitating Multilateral Fiscal Surveillance in the COMESA region was published. The report underscores that fiscal convergence is essential to COMESA's macro-economic convergence programme, and is a bridge between monetary and trade integration programmes. The report also makes concrete proposals on a generic roadmap for fiscal convergence, and makes recommendations on the role of fiscal convergence in enhancing the complementarity between trade integration and monetary integration. It also places great emphasis on the need to ensure both regional and national ownership of the convergence programmes.

A validation workshop of the implementation tools of COMESA Multilateral Fiscal Surveillance Framework (MFSF) was held in Nairobi, Kenya. The outcome of the workshop, among other things, was to enable experts from Ministries of Finance and Central Banks to formulate and implement reform programmes in Public Finance Management, which is bedrock for the implementation of MFSF.

A training of trainers on modelling the impact of macroeconomic shocks was held in Nairobi, Kenya. The overall objective of the training was to train participants in constructing macro-models and conducting simulations in order to forecast the impact of macroeconomic shocks/policies.

A workshop on the preparation of forward looking financial stability report was held in Nairobi, Kenya. This training enabled participants from member central banks to prepare forward looking financial stability reports which are clear, consistent over time and cover key risks. This is an important vehicle for systemic risk assessment of the financial system in member countries.

A study on the impact of innovations in IT on Transmission mechanism of Monetary Policy was conducted. The objective of this study was to evaluate the impact of financial innovations on monetary policy transmission mechanism in COMESA member countries by considering evidence from Kenya where the mobile phone financial services now are a significant aspect of the national economy. This innovation has significant impact on monetization of the economy and thus on the stability of the velocity of money which is crucial to ensure stability of money demand and hence the effectiveness of monetary policy. The COMESA committee of Governors urged member countries who have not signed the charter of the Institute to do so.

The Regional Payment and Settlement System (REPSS) started live operations in October 2012 and registered its first transaction between Bramer Bank of Mauritius and Fina Bank of Rwanda, through their respective Central Banks. This is indeed a great milestone in COMESA's quest to achieve regional economic integration. While the Central Banks of Mauritius and Rwanda were the only countries transacting on the live system at the end of June 2013, the Central Bank of Kenya, Sudan, Swaziland and Uganda were finalising the last steps to join. The Reserve Bank of Malawi and Bank of Zambia have also indicated their readiness to transact on REPSS.

The COMESA committee of Governors urged the other Central Banks to expedite their going live on the Regional Payment and Settlement System, for the benefit of the entire region.

6.3 The African Monetary Cooperation Initiatives

The National Bank of Rwanda is member of the Association of African Central Banks, a continental forum which aims to contribute to economic integration process, with the ultimate goal of creating an African Monetary Union. This objective has to be achieved after a macroeconomic convergence process, gradually from sub regional to continental levels. The roadmap of this process is defined by the African Monetary Cooperation Programme (AMCP), which involves the adoption of collective policy measures to achieve a harmonized monetary system as a tool to accelerate the economic integration of the continent. The AMCP has defined a set of primary and secondary macroeconomic convergence criteria to be respected by AACB member countries in its different stages, as a necessary condition for establishing a monetary union.

6.4 Collaboration with MEFMI

The Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI) is a regionally owned institute currently with 13 member countries¹. The mission of this institute is to build sustainable human and institutional capacity and foster best practices for prudent macroeconomic and financial management in Central Banks, ministries in charge of finance and economic planning and other relevant institutions.

Ever since BNR joined MEFMI, there has been close collaboration between BNR and MEFMI in areas of Macroeconomic Management; Financial Sector Management; and Sovereign Debt Management. The Bank also benefited and actively contributed to the Fellows Development Programme run by MEFMI. During the fiscal year 2012/2013, BNR benefited from capacity building; country mission and fellows development programme among other things.

6.4.1 Capacity Building

During the period under review, BNR 14 staff participated in different workshops and seminars organised by MEFMI. These included workshops on:

1. Advanced Course on MEFMI Private Capital Monitoring;
2. Financial Programming and Policy (jointly with IMF);
3. New Developments in Payment and Settlements Systems;
4. Regional Seminar for Heads of Supervision (jointly with BIS);
5. Production of a Debt Statistical Bulletin using DMFAS 6.0;
6. Balance of Payments Manual 6;
7. Methodologies for Public Debt Sustainability Analysis; and
8. Monetary Policy Frameworks Design, Implementation and Effectiveness.

6.4.2 Country Mission to BNR

From 22nd to 31st May, 2013 MEFMI conducted a country mission on the Payment System Oversight & Compliance at BNR. The objectives of the mission were to:

- a. Review the current payment system oversight activities performed by the BNR Oversight and Compliance Division,
- b. Review the legal and regulatory framework for BNR Payment System,
- c. Enhance knowledge on the current products and regulations in payment and securities settlement systems,
- d. Provide in-depth training in technical skills for oversight of payment and securities settlement systems,
- e. Strengthen analytical capacity to evaluate risks inherent in payment and settlement systems, and
- f. Comment on the oversight policy framework document.

¹ Angola, Botswana, Kenya, Lesotho, Malawi, Mozambique, Namibia, Rwanda, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe.



The mission focus was two-fold: situational analysis and in-depth training of staff on oversight function. The mission reviewed legal and regulatory documents, the draft oversight policy framework, the risk-based oversight documents, on-site and off-site reports, job descriptions and the organization structure for Oversight and Compliance Unit as well as the Payment Systems Department.

6.4.3 Fellows Development Programme

The Fellows Development Programme is an initiative by MEFMI through which carefully selected potential professionals in the region are put through an intensive training and professional exposure to upgrade their competence in key fields. The objective is to ensure sustainable availability of well-trained professionals at regional level to support member countries' capacity building efforts.

In April 2013, two candidates from BNR were recruited, one in Monetary Policy Management and one in Retail Payment and International Remittances.

The programme normally takes about 18 months of intensive training and professional attachments. It is important to recall that two other members of staff have already graduated from this Fellowship Programme, one in Domestic Financial Markets and the other in Sovereign Debt Management.

6.5 The East AFRITAC/IMF Regional Initiatives

In support of regional integration and enhancing Bank Supervision capacity, during the year 2012/2013 the EASTAFRITAC and IMF provided technical assistance (TA) to BNR. Areas financed included enhancing Risk Based Supervision: in house workshop on risk based supervision; workshop on consolidated supervision (cross boarder issues and conglomerate supervision); seminar on anti-money laundering; updating the existing banking legal and regulatory framework; review of the implementation of Risk Based Supervision and defining the required technical assistance for Financial Stability to strengthen the analytical capacity.

With regard to supporting EAC towards a Monetary Union, the IMF has appointed a regional expert to provide Technical Assistance to all EAC Central Banks. The TA will cover, among other things, Central Banks' Monetary Policy Implementation; Financial Markets Development; and Foreign Exchange Markets, Money Markets and Bond Markets.

6.6 Cooperation to Build Macroeconomic Models

During the spring meetings of April 2012 (Washington DC) and the International Conference of July 2012 (Kigali-Rwanda) on monetary policy, EAC Central Bank Governors and other participants acknowledged the capacity gap especially in field of modelling and forecasting. To address this challenge, the National Bank of Rwanda initiated cooperation with the IMF to build the forecasting and policy analysis systems (FPAS) macro-model and with MEFMI to build the core model of inflation.

The Research Department of the National Bank of Rwanda has since December 2012 worked with the IMF's Research Department and African Department to build the FPAS model whose purpose is twofold: first, to serve as a tool for forecasting key macroeconomic variables such as inflation and GDP and second, to enhance capacity required for economic analysis. This cooperation between IMF and BNR involved facilitation of a team of BNR researches to work hand in hand with the IMF Research Department and the Czech-based OG Research consultants to conduct hands-on training aimed at building a model suitable for the Rwandan economy.

The construction of the simple version of the FPAS model has been finalized and some preliminary results have been used by the BNR Monetary Policy Committee to decided about the monetary policy stance.

Owing to the already existing cordial cooperation between MEFMI and the Reserve Bank of South Africa, the National Bank of Rwanda also embarked on the building of the core model of inflation forecasting. This model is still under construction and is expected to be used next year.



CHAPTER VII

CURRENCY MANAGEMENT AND BANKING OPERATIONS

7.1 Currency Management

The issuance of currency recorded a significant decrease for both banknotes and coins as compared to the same period of the previous financial year.

Table 35: Banknotes Issued (FRW million)

DENOMINATION	2011/ 20 12	2012/ 20 13	% Change
500 FRW	5,460	1,280	-76.6%
1000 FRW	9,640	10,000	3.7%
2000 FRW	28,080	12,880	-54.1%
5000 FRW	25,400	13,500	-46.9%
Total	68,580.0	37,660.0	-45.1%

Source: BNR

The total volume of issuance of banknotes decreased by 45.1 %, from FRW 68,580 million to FRW 37,660 million. This situation was observed for all denominations, especially for the FRW 500 which recorded a significant decrease due to the delay in the publication of related decree granting its legal tender in the official gazette. This general significant decrease of issuance of banknotes is mainly the result of hard work done in cash counting and sorting, coupled with the implementation of the regulation published in March 2013, establishing conditions for counting and sorting of bank notes by financial institutions and measures to detect currency counterfeiting.

Table 36: Coins Issued (FRW thousands)

DENOMINATION	2011/ 2012	2012/2013	% Change
1 FRW	40	0	-100.0%
5 FRW	2,290	1,350	-41.0%
10 FRW	7,300	4,150	-43.2%
20 FRW	22,160	13,040	-41.2%
50 FRW	37,150	84,600	127.7%
100 FRW	405,400	339,800	-16.2%
Total	474,340	442,940	-6.6%

Source: BNR

Regarding the coins, the total volume of issuance realised decreased slightly by 6.6% from FRW 474.3 million in the previous financial year to FRW 442.9 million. The high level of issuance of the FRW 50 coin denomination has been done to cover the shortage experienced on that denomination the previous financial year.

7.2 Banking Operations

The banking operations include cheques and transfer orders processing, cash deposits and withdrawals at BNR counters and cheques certification. The banking operations handle also the opening and closing of accounts at the requests of BNR clients.

During the financial year 2012/2013, the cash operations increased slightly in value by 2.56% while it decreased by 13.76% in volume, due to the decline by 21.82% of the volume of operations in cash deposits.

Table 37: Banking Operations (FRW million)

Period \ Operations	2011/ 2012		2012/2013		Variation (%)	
	Volume	Amount	Volume	Amount	Volume	Amount
Cash Operations	163,660	13, 120,938	141,147	13, 457,270	-13.76%	2.56%
Cash withdrawals	57,352	10, 159,840	58,034	10, 177,633	1.19%	0.18%
Cash deposits	106,308	2, 961,097	83,113	3, 279,637	-21.82%	10.76%
Funds transfers processing	277,990	700, 899,621	290,408	962, 217,489	4.47%	37.28%
Cheques processing	60,163	55,516	61,051	55,937	1.48%	0.76%
Cheques certification	4,493	163,091	4,286	125,527.61	-4.61%	-23.03%
Opening of accounts	276	-	233	-	-15.58%	-
Closing of accounts	256	-	168	-	-34.38%	-

Source: BNR

The value of operations related to electronic transfers of funds increased by 37.28% from 700.9 billion RWF in 2011/2012 financial year to 962.2 billion in 2012/2013 financial year, while the volume of those transactions increased slightly by 4.47%.

In the same period, the cheques processing increased in volume and value in 2012/2013 financial year by respectively 1.48% and 0.76% as compared to the previous period.

The operations related to the opening and closing of accounts by BNR clients decreased by 15.58% and 34.38% respectively during the period under review as compared to the previous period.

The initiative to encourage public Institutions to open accounts in commercial banks to facilitate customers process and payments instead of using BNR counters has contributed significantly to the improvement of the customer care in BNR.

Within the framework of the decentralization of services to customers, BNR branches were established in the four provinces of the country, since 2005, and a counter has been opened at Rubavu district in the Western Province in May 2010. The Rubavu counter is attached to the BNR Northern Branch. This decentralisation facilitates the Central Bank's customers located in rural area to conduct banking operations easily.



The main activity of the branches is related to cash operations in connection with the deposits and the withdrawals of customers, particularly commercial banks and Government institutions.

Table 38: BNR Branch Operations (in FRW thousands)

Operations \ Period	2011/ 2012		2012/ 2013	
	Deposits	Withdrawals	Deposits	Withdrawals
Northern Branch (Musanze)	19, 294,090	12, 909,832	16, 421,275	11, 993,883
Rubavu Counter	15, 782,079	14, 506,650	10, 059,250	6, 235,000
Southern Branch	13, 238,356	32, 788,513	12, 239,616	24, 370,884
Western Branch	11, 949,946	28, 253,874	13, 896,573	13, 229,885
Eastern Branch	13, 865,039	11, 382,978	10, 575,241	12, 048,836
TOTAL	74, 129,510	99, 841,847	63, 191,955	67, 878,488

Source: BNR

As it was in the last financial year 2011/2012, the Northern branch recorded more cash transactions in deposits, while the Southern Branch recorded more transactions in withdrawals.

7.3 Government Cashier

As State cashier, the National Bank of Rwanda executed Government and public institutions payments orders, including staff salaries and invoices, and facilitate Government external payments through letters of credit processing. The monitoring of the Treasury Single Account (TSA) mechanism on daily basis has contributed to the efficiency of the management of the Government overdraft from BNR. To ensure Government budget deficit financing, the Bank continued to play a significant role by facilitating the Government's securities trading on the domestic financial market.

7.4 Combatting Counterfeits

The counterfeit is generally attacking big denominations, as observed in the previous records. However, during the financial year 2012/2013, an abnormal trend was observed with a huge number of FRW 500 denomination fake notes amounting FRW 413,500 as face value against 4 fake notes of FRW 20,000 as face value recorded in the previous year.

Table 39: Fake Notes Seized

	Denomination	5000 FRW	2000 FRW	1000 FRW	500 FRW	TOTAL
Period	Collected by					
2011/2012	BNR counters	10	4	1	0	15
	Banks counters	18	103	3	4	128
	National Police	246	259	249	0	754
	Total	274	366	253	4	897
2012/ 2013	BNR counters	17	18	1	1	37
	Banks counters	27	155	18	14	214
	National Police	353	324	17	812	1,506
	Total	397	497	36	827	1,757

Source: BNR

It should be noted that 1506 fake notes, representing 86% of the total counterfeit banknotes recorded in the period under review, were seized by the National Police. The counterfeiters were captured and presented before courts. To mitigate this malpractice, a regulation has been issued by the Bank and published in the Official gazette on 26th March 2013. It sets up rules and procedures under which financial institutions shall carry out activities of cash processing and fighting against banknotes counterfeit.



CHAPTER VIII

PAYMENT SYSTEMS MODERNISATION



The financial year 2012/2013 has been characterized by remarkable improvement in the use of Rwanda Integrated Payments Processing System (RIPPS) which allows automatic gross settlements in real time. The year was also characterized by improvement in retail payment with the introduction of Japanese Credit Bureau (JCB) and American Express cards on the market.

Mobile Visa product is operational since April 2012 with two banks and one Mobile Network Operator is linked to two banks to facilitate funds movement between mobile payments and mobile banking wallets of a client. In addition, all commercial banks offer now e-tax payment service.

8.1 Rwanda Integrated Payments Processing System

The Rwanda Integrated Payments Processing System (RIPPS) is composed of three main parts in one platform: an Automated Clearing House (ACH- a netting system), a Real Time Gross Settlement System Transfer System (RTGS) and a Central Securities Depository (CSD). The CSD-Rwanda is closely integrated with the RTGS and operates a settlement cycle of T+2.

RIPPS has improved the payment lag as now the process of a payment order takes a maximum of one day and a maximum of two hours for banks with a smoothly functioning interface. Before the RTGS was introduced, payment orders took a minimum of three days for the beneficiary to obtain funds.

As a result of those developments, customers' transactions and the interbank transfers through RTGS from June 2012 have increased by 64% and 217% respectively in terms of value compared to June 2013.

8.2 Card Based Payment System and E-commerce

Much progress has been achieved in card based payment system during the financial year 2012/2013. The number of ATMs increased by 39.2% from 232 to 323 while the number of POS devices increased by 78.2% from 666 in June 2012 to 1187 in June 2013. The number of debit cards increased by 13.2%, from 389 269 to 440 875 while the number of credit cards increased by 182% from 418 to 1 179.

Concerning the ATM availability, it decreased from 92% in June 2012 to 91% in June 2013 due to the frequent hardware and network issues during the first half of 2013 while the ATM interoperability decreased from 87% in June 2012 to 86% in June 2013 mainly due to the increase in the number of ATMs by banks which are not fully interoperable. Three banks were operating POS devices with one of the Banks accepting Visa, MasterCard, China Union Pay (CUP), Dinners Club, Japanese Credit Bureau (JCB) cards and RSwitch proprietary cards.

Table 40: Cards Payment Infrastructure and Performance

Period	Number of ATM	Number of POS terminals		Number of debit cards	Total number of credit cards	ATM transactions		POS transactions	
		Merchants	Agents			Volume	Value (million FRW)	Volume	Value (million FRW)
June-12	232	385		320,565	542	1,140,583	43,763	12,341	2,058
June 13	323	797	390	440,875	1179	3,943,981	122,354	82,542	6,262

Source: BNR

Regarding E-commerce, Rwandair is offering e-commerce facilities to its clients. One bank in Rwanda has obtained an e-commerce license planned to go live by end of November 2013.

8.3 Visa National Net Settlement System and International Acquiring

Eight banks operating 86% of ATMs in Rwanda are participants in Visa National Net Settlement System (NNSS); and the other two banks licensed by VISA are in the certification process. The Visa NNSS facilitates domestic transactions made with Visa cards to be settled in local currency and the Central Bank is the settlement agent. The resultant effect is that the foreign exchange loss that has been experienced by Rwanda banks' clients using VISA cards does now no longer exist. With regard to international acquiring, two banks introduced two new international card brands namely JCB and American Express (AMEX) on the market. Up to June 2013, international cards were accepted by Rwanda banks terminals as follows:

Table 41: International Acquiring

	Visa	MasterCard	China Union Pay	Diners Club	JCB	Amex
Number of Banks	10	1	3	2	1	1

Source: BNR

8.4 Mobile Financial Services, Internet Banking and E-tax payment

With regard to mobile financial services developments, all the three telecommunication companies have been licensed to offer mobile payment services by the Central Bank and eight commercial banks are offering mobile banking services and internet banking.

In addition, Visa Rwanda Ltd has developed Mobile Visa (mVisa) product to allow mobile banking services interoperability. Two banks are now live since April 2013.

Transactions through mVisa are settled by RIPPS through Visa NNSS. Moreover, banks and Mobile Network Operators (MNOs) have been collaborating towards comprehensive mobile financial services interoperability by end of 2014. Up to June 2013 one Mobile Network Operator was linked to two banks to facilitate funds movement between mobile payments and mobile banking wallets of a client.

Table 42: Statistical Data on Electronic Means of Payments

	Number of subscribers		Number of transactions		Value (FRW million)	
	June 2012	June 2013	June 2012	June 2013	June 2012	June 2013
Mobile Payment	968,315	2,048,260	4,301,744	21,052,075	33,737	134,119
M o b i l e Banking	248,689	425,815	253,392	1,047,004	411	9,032
Internet Banking	6,237	8,229	36,828	9,207	4,568	7,547

Source: BNR

It is worth highlighting as well that at end June 2013 nine commercial banks were offering e-tax payment service. One microfinance bank is still in discussion with Rwanda Revenue Authority, the national public institution in charge of tax collection, whereas other two microfinance banks would go live by July and August 2013 respectively.

8.5 Remittances Service Providers

The remittances service is fast becoming a big vehicle for money transfers. In that regard, the Bank has put in place a regulation that opened doors to “stand alone” remittance companies other than the traditional ones. Up to June 2013 there were 10 licensed remittance companies which have brought competition into the market. The following table shows transactions occurred from July 2012 to June 2013.

Table 43: Statistics on Remittances (July 2012-June 2013)

	Volume	Value	
		USD	Frw
Received	208,091	46,806,344	28,694,344
Sent	102,142	59,548,735	10,710,574

Source: BNR

As reflected in the table above, a big portion of remittances is transacted in United States of America dollar (USD) and encompass transactions performed by standalone remittances services providers and financial institutions offering the remittance service in Rwanda.

8.6 Regional Connectivity

The Rwanda Integrated Payments Processing System has been upgraded to enable linkage to Regional Cross Border Payment Systems; the East Africa Payment Systems (EAPS) and the COMESA Regional Payments and Settlement System (REPSS) so as to facilitate the cross border payments in the East African Community and COMESA region. In this regard, Rwanda started operations with REPSS on 3rd October 2012 and was officially launched in the 18th COMESA Governor's meeting which took place from the 10th -11th December 2012 in Kigali.

REPSS has several advantages in terms of reducing transfer costs and reducing on the payment lag. REPSS aims at providing payments through secure and reliable systems; payments are originated and received in the formats of the financial institutions' existing payment systems resulting in minimal system modifications.

There is also predictability in payment timing and reduced payment cycle time as compared to the usual correspondent banking other international payment alternatives. The cost effectiveness of REPSS payments translate into savings for the payer and it provides one easy process for making cross-border payments and the system is very secure as the funds reside at the Settlement Bank which is also a member of COMESA.

Using the usual correspondent banking, the estimated transaction cost has been on average up to 5% of the trade value with 1% paid for letters of credit confirmation. With REPSS, confirmation of letters of credit will be free, while every transfer will be charged at 0.25%, thus generating significant savings to the region. While launching REPSS, Governors agreed to waive the charges for the initial stage so as to promote its usage. In addition, the East African Payment Systems is under test and is expected to be operational by end of 2013.

8.7 Cheque Truncation and Combatting Fraud

To further enhance the developments in payment systems, the Bank together with the Rwanda Bankers Association, have embarked on the Cheque Truncation Project aiming to fast track the cheque payment process adding more security features to the standardized cheques.

Besides, the cheques will be cleared efficiently because all account structures will be harmonized facilitating the integration between RIPPS and banks' core banking applications (straight through processing), thus reducing the payment lag. The full implementation of check truncation system will be operational by September 2014.



8.8 Oversight of Payment and Securities Systems

While the Bank has been involved in the development of payment and securities settlement system as the operator of RIPPS, it has put much efforts to reinforce the oversight function of the payment systems to ensure they are safe and efficient by monitoring existing and planned systems, assessing them and where necessary inducing change.

By licensing an initial oversight assessment is carried out for any system proposed or identified as part of the oversight process which leads to approval of the system/service. The licenses for all payment services providers including payment system operators, remittances service providers, mobile money service providers and Central Securities Depository brokers are renewed every year.

With regard to monitoring, BNR assess the payment systems compliance to the risk management standards through obtaining information on payment system including publicly available information on system design and performance, official system documentation, regular or ad hoc reporting on system activity, internal reports of board or committee meetings, bilateral contacts with the system and system participants, multilateral meetings including industry group meetings or participation in committees, organize industry workshops, on-site inspections, etc.

Thereafter, the information obtained by the BNR through its monitoring is used to understand the whole set of payment and settlement arrangements in the economy and formulate appropriate oversight policies and put in place legal and regulatory framework which guides the players in payment and settlement systems area.

CHAPTER IX

SUPPORT ACTIVITIES



9.1 ICT Systems Modernisation

For the last fiscal year 2012/2013, the National Bank of Rwanda has been undergoing a major transformation through the implementation of modern technology and applications to support the core functions of the Bank under a program known as BNR ICT Modernization.

All these efforts have been employed to fast-track the implementation of the recommendations made by His Excellency President Paul KAGAME during his visit to the Bank in 2009, among which he recommended the modernization of the IT systems to automate the Bank's business processes.

BNR ICT Modernization is a National Bank of Rwanda program that is aligned to the National Information Communications Infrastructure Plan III (NICI Plan III) aimed at propelling Rwanda into becoming a regional ICT Hub, which is one of the building blocks that will lead Rwanda into a successful vision 2020.

Emphasis is heavily put on development of applications and infrastructure to enhance service delivery aligned to e-Government agenda to boost services across the whole economy; Government to Business (G2B), Government to Citizens (G2C); Business to Business (B2B) and Business to Citizen (B2C).

The systems already implemented, like the RIPPS have already indicated that technology will drive business to greater heights especially in the Second Economic Development and Poverty Reduction Strategy (EDPRS 2) that is a launch into the home strait of our middle income economy by year 2020.

The objective of BNR ICT Modernization is to enhance the services provided by the National Bank of Rwanda, which is a great vehicle of growth and development that will put Rwanda on a higher growth trajectory to ensure that the country achieves the intended vision in time.

In the course of the period under review, the Bank focused on implementation of a number of systems, applications and infrastructure that include; Core Banking System, Enterprise resource planning (ERP) system, Enterprise Data Warehouse (EDWH), Electronic Document Management system (e-DMS), a centralized help desk and a Modular Data Center.



Minister of Youth & ICT, Hon. Jean Philbert Nsengimana, inaugurating the BNR data center and launching the commencement of the Core Banking & ERP Project.

9.1.1 Core Banking and Enterprise Management Systems

Key systems and applications implemented during FY 2012/2013 is the Core Banking and the ERP systems whose implementation was launched in November 2012 under a project presently code-named BISMAT, an acronym derived from “BNR Information Systems for Management and Administration with Technology”.

The project was contracted by an experienced vendor in the banking applications called Temenos. Together with its partners; Computer Point and Mahindra Satyam, Temenos has covered significant milestones in the implementation of the project that is overseen by Price Waterhouse Coopers (PWC) as project Managers. Temenos is implementing their latest release version 12 type of T24 Core banking system to be used in the operations of banking and financial market functions. Mahindra Satyam has completed requirements gathering of the current business processes and functional requirements for deploying Oracle e-Business suite, the type of ERP that will be used to cover BNR functions in modules of human resources management, staff welfare, payroll, performance management, trainings, procurement, budgeting, accounting and supply chain management.

Some of the milestones that have been completed in the core banking component of BISMAT Project include; Overview and modular level training, functional requirements definition, hardware delivery onsite, hardware installation, T24 Core Banking software installation, user acceptance Testing phase one, data migration training and data mapping.



Activities ahead of the go-live date of the T24 Core banking systems include: user acceptance test phase two and three, data migration dress rehearsals, operational dress rehearsals and go live of the system. The go live date of the T24 Core Banking systems is projected in March 2014.

9.1.2 Interfaces of T24 Core Banking System with other Systems

The T24 Core Banking system is being implemented with interfaces linking to other systems locally, regionally and internationally. The major systems whose interfaces are being developed to link to T24 include; Rwanda payment and Processing System (RIPPS); Reuters, Integrated Payroll Payment System (IPPS), and Portfolio Analytic Tool (PAT). Another important interface that is being developed is the one linking T24 to the system of OTR account in MINECOFIN. This interface will facilitate processing of payment orders at MINECOFIN and their validation in BNR T24 system, going through RIPPS to the destination banks without any other manual interventions. This will minimize errors and risks in MINECOFIN payments and larger volumes of payment orders will always be processed in a shorter duration than before.

Also the Integrated Payroll Payment System (IPPS) was developed last year between MIFOTRA and BNR Core Banking System. The IPPS interface has helped in the processing of Public institution salaries at MIFOTRA with only validation done at BNR until payments are effected in the employee accounts. This interface will be reengineered with the T24 Core banking to function more effectively and efficiently with straight through processing technology.

The BISMAT project will have significant benefits to the Bank. The installation of the new systems and the concurrent training of the BNR staff will provide improvements in the efficiency of operations that will be almost automatic as a result of adoption of the new systems. The use of vendor supplied software will assure that a substantial level of operational improvements can be expected as a direct result of the technical work and staff development that will have taken place in the first phases.

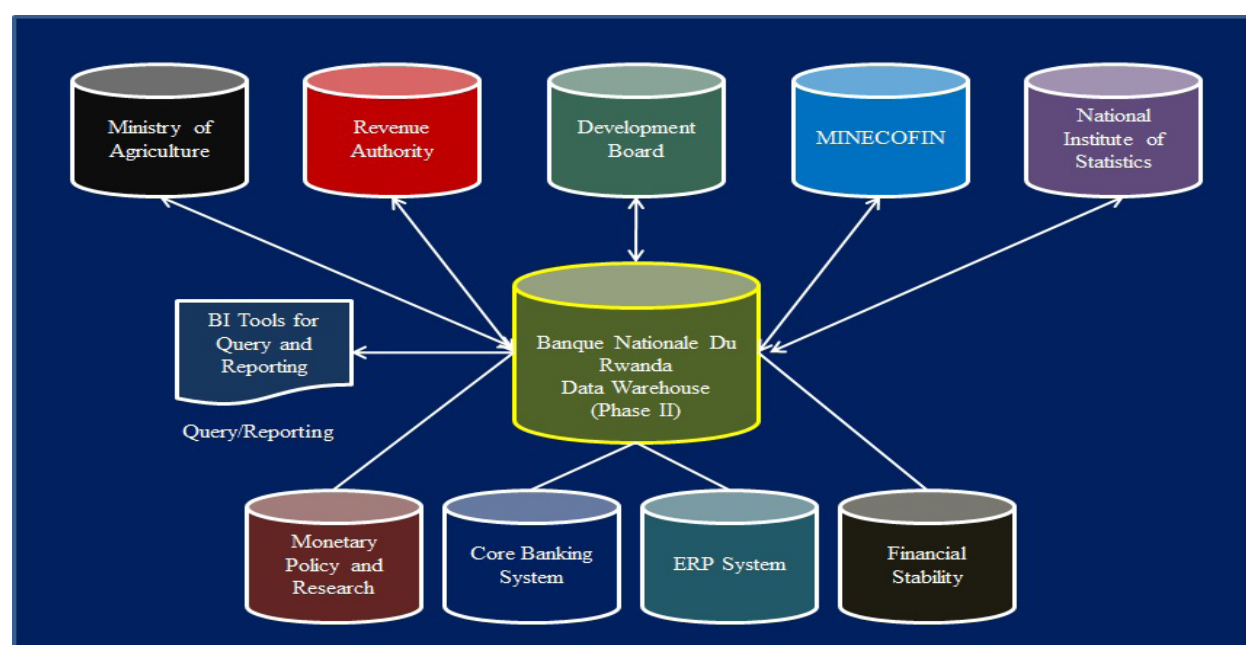
Among other improvements, the Bank will achieve higher levels of automation, which means that there will no longer be any need to make multiple inputs of the same data that are needed for other systems. Automatic capturing of the data from the first and only input means that efficiency will be achieved and that the inconsistencies that often result from multiple inputs will be eliminated.

When the new systems and single input principles have been put in place and into production, a comprehensive data base will be available for use by the audit systems. EXCEL spreadsheets will no longer be required for the ongoing audit functions.

9.1.3 The Enterprise Data Warehouse

Another important system under the same BNR modernization program but still under the procurement process is the Data warehouse that will be supporting the statistics, monetary policy and research functions. The implementation of the data warehouse is planned to commence in November 2013. The main purpose of the Data ware house will be to store all the important data and link the BNR to all other institutions both public and private to share information. The diagram below illustrates the planned structure and architecture of the data ware house.

Figure 11: Planned Data Warehouse for BNR



Source: BNR

A lot of benefits are expected of the EDWH. The present process of preparing reports is in most ways a manual process. In the new system, the data from which the report must be prepared will already be in the data warehouse, so that the report can be prepared without delay, automatically, and that differing analyses of the data can be conveniently and efficiently made. With the EDWH, therefore, the Bank will get away from costly and lengthy production of reports.

9.1.4 E-Document Management

Electronic document and records management is also another project that aims to enable organization to manage document and records throughout the document life cycle, from creation to destruction. The system will enhance documents flow hence easing document tracking. Initially, the National Bank of Rwanda had initiated the e-DRMS project on its top priorities with other systems. However after the MINECOFIN successfully deployed the e-DMS and strategically encouraged other Agencies to implement the same under the same license, BNR already took the preliminary stages of making a formal request to the Ministry to implement the e-DMS scheduled to start the beginning of October, 2013. Subsequently the Bank will incorporate the archiving and Library management in another phase.

9.1.5 Modern Modular Data Center

Another major achievement under the BNR ICT Modernization program is the completion of a modular data center that was officially inaugurated by the Honorable Minister of Youth and ICT. The Data center establishment was also visited by the Right Honorable Prime Minister Dr. Pierre Damien Habumuremyi. The data center accommodates the core equipment and servers that host data and applications in a secure and conducive environment.



Rt. Hon. Prime Minister, Dr. Pierre Damien Habumuremyi, visits the BNR Data Center.

9.1.6 Information Security Management System (ISMS)

In order to benchmark itself with international standards in IT security, the National Bank of Rwanda contracted an independent firm which assessed the system security threats, system vulnerabilities, system hardening and Information Security Management Systems (ISMS).

The exercise will enable the bank comfortably and confidently to apply for ISO 27001-2005 which is worldwide superior certification in systems security. This will position the National Bank of Rwanda as the first central bank to be ISO certified in the region. The set of policies, procedures and control were implemented with improved system security. The security system has so far detected and blocked more than 10 million attacks and unauthorized /malicious web browsing.

9.1.7 Capacity Building and Staff Development

To ensure systematic BNR ICT Modernization, the Bank has provided training for IT staff in different areas such as Oracle 11g certifications, Java development, Microsoft certifications, CCNA, CCNP, CEH, CHF, Linus Red-heart and project Management. The trained staffs are already involved jointly with the applications vendors in hardware and software installations.

9.2 Infrastructure Modernization

The Bank continues the modernization of its infrastructure through construction and rehabilitation projects namely transformation of BNR headquarters, construction of BNR branch buildings, construction of new parking and installation of ventilation facilities in the remaining offices of the Bank .

The period under review was essentially marked by the completion, in October 2012 , of the construction of a new BNR car park with 180 Vehicle parking capacity. The transformation of BNR headquarters and construction of BNR Branch Office buildings based in the four provinces are expected to be completed by December of 2013 and February 2014 respectively.

9.3 Human Resources Management and Development

The National Bank of Rwanda through its Human Resource Management and Development function supported training programs aimed at improving personal staff capacities and the overall performance and effectiveness of the Bank towards achieving its strategic objectives.

Since July 2012, trainings under short course programs and industrial attachments were implemented and by June 2013, 48 members of BNR staff were pursuing different professional courses. In addition, the Leadership development programs were introduced for the benefit of the Bank higher level officials. The first part of leadership training program was attended by 5 Director Generals, 20 Directors, 3 Deputy Directors and 4 Branch Managers, while the second part was attended by 65 Managers, Head of Units and Principle officers.

These Senior Managers were equipped with change management tools aimed enabling them to be change agents capable of driving the agenda of a high corporate performance culture in BNR; skills for setting SMART (Specific, Measurable, Attainable, Realistic and Timely) performance objectives for their business units, departments and the Bank at large; and skills in performance planning, measurement and evaluation.

In the next financial year, the Bank will continue advancing training initiatives as scheduled in the training plan and enhancing leadership development programs. As part of its social policy, the Bank granted various benefits to its staff including construction loans, vehicle loans, salary advances, transport facilitation and welfare allowance.

In order to motivate, retain talents and enhance staff welfare, the Bank reviewed the staff loan policy and related directives by providing affordable loans with adjusted ceilings.



9.4 Internal Control

The Bank employs risk based management processes for strengthening its internal controls and the risk management activities are essentially oriented to mitigating risks and their impact.

During the fiscal year 2012/2013 the Bank enhanced its commitment to strengthen internal control system in all operations as a principal means to manage the risks. Among other internal controls, the Bank has consistently insisted on compliance with adopted policies, regulations, formal operating process and procedures, strategic planning, capacity building plan, and standards of various businesses which significantly reduced the potential risks at a tolerable level.

Using this risk based approach the bank employed an oversight function through audit activities to evaluate the design and implementation of internal controls within the bank. A number of audits were conducted that provided independent and objective advice to the operations in ways that added value and improved operations. These included reviews of activities in Financial Market, Currency and Banking Operations, Banking Supervision, Non-Banking Supervision, Microfinance and support functions.

This process has continuously provided assurance of improved and effective risk management, controls, and governance processes.

CHAPTER X

**FINANCIAL
PERFORMANCE**

10.1 Financial Performance Overview

During the year under review, the bank expected to achieve Frw 31 billion of revenues against Frw 20 billion of operating expenses, which makes a net operating income of Frw 11 billion. Capital budget was estimated to Frw 18 billion including Rwf 13 billion of capital expenditures and Frw 5 billion of notes and coins printing costs deferred to fiscal years. Compared to the expectation, the actual result was quite good as depicted by the table below:

Table 44: Summary of 2012/2013 Financial Result Performance

Details		Actual results 30 June 2012 Frw "000"	Budget Projection June 2012-July 2013 Frw "000"	Actual results 30 June 2013 Frw "000"		
				Amount	%	% of Budget
1	Revenues	26,885,433	30,984,016	32,835,458	22	106
2	Operating expenses	19,981,686	19,654,049	19,399,250	-3	98
3	Net income (1-2)	6,903,747	11,329,967	13,436,208	95	119
4	Capital expenditure		13,350,429	3,355,192		
5	Deferred expenses		4,826,887	1,528,459		
6	Total capital Budget (4+5)		18,177,316	4,883,651		

Source: BNR

10.1.1 Income

The Fiscal Year ended June 2013 was characterized by low interest and decline of reserves. Revenue income reported has increased from 26.9 billion (2011/12) to 32.8 billion (2012/13), thanks to non-cash revenue reported for foreign assets revaluation gain and unrealized gain accrued which will be realised in financial year 2013/14.

Table 45: Revenue Income

Details	30 June 2012	30 June 2013	% Change
	Frw "000"	Frw "000"	
Local interest income	2,119,876	1,965,155	-7
Foreign interest income	3,317,231	2,148,236	-35
Commission and fees income	296,384	494,436	67
Foreign exchange dealing profits on Banks	7,718,973	7,210,673	-7
Realised gains on foreign financial instruments	2,687,470	1,473,834	-45
Realised loss on foreign financial instruments	(1,083,052)	(2,027,027)	87
Loss on foreign currency trading	(33,249)	(14,177)	-57
Foreign assets revaluation gain	4,688,116	15,231,371	225
Unrealised gain or loss	(111,384)	36,834	
Other income	7,285,068	6,316,123	-13
Total	26,885,433	32,235,458	20

Source: BNR

The big part of this revenue was derived from gain on sale of the foreign currencies to Banks, realized gains on foreign financial reserves and both local and foreign interest income investments. Overall interest income collection has been reduced in 2012/13 compared to 2011/12.

Interest income on local operations seems to not significantly change. There was an increase on interest received on IFC SWAP operations due to new transactions signed in favour of two commercial banks. However, interest on government loan was reduced significantly because of introduction of the new system, the Treasury Single Account (TSA), which saves the government from using overdraft facility while it has positive balances in other Government accounts across the system.

On the other hand, foreign interest income was decreased due to low interest rate in the international market and the decline of reserves from July 2012 to March 2013. The decline of reserves was due to external budget support suspended till the last quarter of the financial year and the rise of importation from abroad that prompted the Bank to sell big amounts to stabilise the Forex exchange market. On average the market rate on international market for deposit was 0.05% compared to 0.2% projected while for external managed funds it was 0.34% compared to 0.5% projected.

The loss on foreign currency trading is the results of buying and selling foreign currency in the process of managing portfolio investments. During the year ended 30 June 2013, the loss reduced and this was due to portfolio limits and deviations adjustments guided by investment guidelines.

The local source of income is from interest on loans to Government and interest on IFC SWAP operations. For foreign income, the big part is from foreign investments managed by external fund managers.

10.1.2 Expenses

Table 46: Operating Expense

Details	30 June 2012	30 June 2013	% Change
	Frw "000"	Frw "000"	
Interest expense	6,696,148	3,126,481	-53
Commission and fees	490,332	646,260	32
Impairment loss	0	155,342	
Personnel expenses	7,688,542	8,246,387	7
Depreciation and amortisation	680,095	1,784,902	162
Other operating expenses	4,426,569	5,439,878	23
Total	19,981,686	19,399,250	-3

Source: BNR

Overall operating expense remained unchanged in the financial year ended 30 June 2013 compared to 30 June 2012. However looking at component trends, interest expense reduced due to the reduction of borrowing from banks (money market). The Bank pays interest on REPO operations instrument to manage reserve money. The increase on commission and fees reflects fees paid on foreign currency banknotes export.

Personnel expenses slightly increased due to some horizontal promotion steps movements, while other expenses increased due to prior year charges that accrued for payments in financial year ended 30 June 2013.

Change in depreciation and amortisation is the charge for the year and amortisation of Payment



System Software (RIPPS). Impairment loss reported is the charge for the year on provision ex-staff loans past due.

Table 47: Statement of Comprehensive Income

Details	30 June 2012	30 June 2013
	Frw “000”	Frw “000”
Interest income	5,437,107	4,113,391
Interest expense	(6,696,148)	(3,126,481)
Net interest income	(1,259,041)	986,910
Net fees and commission income	(193,948)	(151,824)
Foreign exchange gains and fair value gains	13,866,874	21,911,508
Other operating income	7,285,068	6,316,123
Operating income	19,698,953	29,062,717
Operating expense	12,795,206	15,626,509
Profit for the year	6,903,747	13,436,208
Other comprehensive income		
Net change in fair value on available for sale financial assets	1,669,932	221,565
Revaluation gain on property and equipment	-	7,223,636
Total comprehensive income.	8,573,679	20,881,409

Source: BNR

BNR is complying with International Financial Reporting Standards (IFRS). The total comprehensive income recorded was Frw 20.9 billion. This includes profit for the year of Frw 13 billion and revaluation gain made on land and building of Frw 7 billion.

No dividend was proposed for the year ended 30 June 2013 as compared with the year ended 30 June 2012 since the profit for the year reported included non-cash flow revenue of Frw 15 billion which is not distributable for dividend.

10.1.3 Financial Position

Table 48: Statement of Financial Position as at 30 June 2013

Details	30 June 2012	30 June 2013
	Frw "000"	Frw "000"
Total assets	675,996,060	853,448,145
Total liabilities	627,174,415	784,608,004
Total Equity and reserves	48,821,645	68,840,141
Total liabilities and equity	675,996,060	853,448,145

Source: BNR

During the period under review, compared to financial year ended 30 June 2013, the assets of the Bank increased by Frw 177 billion (5%). This was mainly due to the increase in foreign assets by Frw 154 billion (34%). This increase is mainly explained by the cash flow received from sovereign bond proceeds; the budget support partners and government projects loans and grants.

Other main factors that added to the growth in assets include the proceeds from IFC swap operations that increased by Frw 1.3 billion (22%) and revaluation of land and property by Rwf 10 billion.

Total liability and equity has increased by Frw 157 billion (25%) and by Frw 21 billion (44%). This is explained mainly by the increase in currency in circulation (6%) and government deposit Frw 153 billion (98%). For equity the increase is attributed to the foreign assets revaluation by Frw 15 billion and land and property revaluation.

10.1.4 Change in Equity

A. Share Capital

As per the article 2 of Law n° 55/2007 of 30 November 2007 governing the National Bank of Rwanda, these financial statements maintained the authorized and fully paid share capital of the Bank at 7 billion of Rwandan Francs. The share capital is entirely subscribed by the Government of Rwanda and the shares do not have a par value.

B. Reserves

During the year, the Bank did not generate income for distribution to reserves. At 30 June 2013, general reserves fund was Frw 8.9 billion (30 June 2012: Frw 8.5 billion). The net change movement is the appropriation of income generated in year ended 30 June 2012.

The general reserve fund is a fund into which 20% of the net annual profits of the Bank is transferred at the end of each financial year. This is after allowing for expenses for operation and after deducting all charges, including depreciation and estimated liabilities.

Other reserve constitutes staff welfare, land revaluation reserves, fair value reserve and translation reserve. These were increased by 164% compared to position at 30 June 2012.



10.2 Audited Financial Statements

FINANCIAL STATEMENTS AND AUDIT REPORT FOR THE YEAR ENDED 30 JUNE 2013

TABLE OF CONTENTS	PAGE
Directors, officers and administration	111
Directors' Report	113
Statement of Directors' Responsibilities	114
Report of the Independent Auditors	115
Statement of Comprehensive income	116
Statement of financial position	117
Statement of Changes in Equity	118
Statement of Cash flows	119
Notes to the Financial Statements	120 - 155

DIRECTORS, OFFICERS AND ADMINISTRATION FOR THE YEAR ENDED 30 JUNE 2013

The directors that served during the year to the date of this report are indicated below:

DIRECTORS

John RWANGOMBWA	Governor and Chairman (Appointed on 25 th February 2013)
Claver GATETE	Governor and Chairman (Retired on 25 th February 2013)
Monique NSANZABAGANWA	Vice-Governor and Vice Chairperson
Uzziel NDAGIJIMANA	Member (retired on 8/5/2013)
Odette UWAMARIYA	Member (retired on 8/5/2013)
Lillian KYATENGWA	Member
Jean Leonard RUGWABIZA	Member
BIZOZA Alfred	Member (appointed on 8/5/2013)
HABIYAKARE Chantal	Member (appointed on 8/5/2013)

SENIOR MANAGEMENT

John RWANGOMBWA	Governor (appointed on 25 th February 2013)
Claver GATETE	Governor (Retired on 25 th February 2013)
Monique NSANZABAGANWA	Vice-Governor
RUSUHUZWA KIGABO Thomas	Director - General - Monetary Policy and Research/ Chief Economist
NTARE Joy	Director - General - Financial Stability
SEBABI John Bosco	Director - General - Operations (resigned on 21/03/2013)
IHOGOZA Frances	Director - General - Finance and Administration
RURAZI NGOBOKA Justin	Director - General - ICT (Appointed on 19/9/2012)
GATERA Jonathan	Director - General - Operations (appointed on 25/03/2013 from a Director of Financial Markets)
MURASIRA Appolinaire	Director - Branch Liaison Office (appointed on 27/12/12 and retired on 07/07/2013)
NZABONIKUZA Joseph	Director - Monetary Policy and Economic Analysis
MWITIREHE Viviane	Director - Statistics
MURASIRA Appolinaire	Director - Human Resources Management and Development (up to 27/12/2012)
KAMASA Emanuel	Ag. Director - Human Resources Management and Development (from 27/12/12 to 30/6/13)
GICONDO MUKIZA Ananias	Ag. Director - Research (till 30/06/2013 when he was appointed Director of Research)
KAGOYIRE Françoise	Director - Banks Supervision
KAVUGIZO SHYAMBA Kevin	Director - Microfinance Supervision
SANGANO Bonaventure	Director - Non Bank Financial Supervision
GATERA Jonathan	Director - Financial Markets (till 25/03/2013)
KASANGWA Chantal	Director - Financial Markets (Appointed on 25/3/2013)
SEKAGIRIMANA Celestin	Director - Currency and Banking Operations
BAGIRISHYA KARAMUKA John	Director - Payment Systems
BIGIRUMWAMI Emmanuel	Director - Finance



MUHIRE Modeste	Director - Planning and Corporate Affairs/ Corporate Secretary
MURAGIRA UWIMANA Enid	Director - Internal Audit
RUTAYISIRE MUNYURA Bosco	Director - IT Infrastructure and Data Center (Appointed on 19/9/2012)
BAHATI Theoneste	Director - Management Information System (appointed on 19/9/12 and resigned on 14/5/2013)
RUTABINGWA Jean Paul	Director - Legal Services
NTAGANDA Cyril	Director - Risk Management
MUJAWIMANA Alphonsine	Director - General Services
INGABIRE Josiane	Director - Governor's Office
NTAZINDA Gaspard	Director - Medical Services
HABIYAMBERE Alexis	Advisor - Partnership & Cooperation

REGISTERED OFFICE

National Bank of Rwanda
KN 6 Avenue, 4
P.O Box 531
Kigali, Rwanda

AUDITORS

KPMG Rwanda Limited
5th Floor, Grand Pension Plaza
Boulevard de la Révolution
P.O Box 6755, Kigali, Rwanda

MAIN LAWYERS

Jean Paul Rutabingwa
Avenue Paul VI
P.O. Box 531
Kigali, Rwanda

BRANCHES

Southern Branch

P.O. Box 622
Huye, Rwanda

Eastern Branch

P.O. Box 14
Rwamagana, Rwanda

Northern Branch

P.O. Box 127
Musanze, Rwanda

Western Branch

P.O. Box 462
Rusizi, Rwanda

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2013

The directors submit their report together with the audited financial statements for the year ended 30 June 2013, which shows the state of affairs of the Bank.

- **Incorporation**

The Bank is incorporated under the Law No 55/2007 of 30/11/2007.

- **Principal activities**

The Bank is established and administered under the law with the principal object of formulating and implementing monetary policy directed to achieving and maintaining stability in the general level of prices. It is also the responsibility of the Bank to foster liquidity, solvency and proper functioning of a stable and competitive market-based financial system.

- **Results**

The results for the period are set out on page 5.

- **Dividend**

The board of directors do not recommend the payment of a dividend (2012: Frw 1,506,630,000)

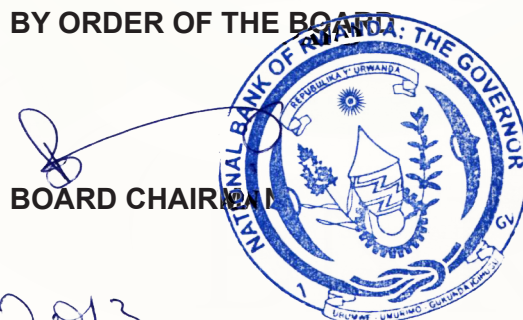
- **Directors**

The directors who served during the period and up to the date of this report are listed on page 1.

- **Auditors**

KPMG Rwanda Limited were appointed auditors in 2010 and have completed their three year mandate.

BY ORDER OF THE BOARD



BOARD CHAIRMAN

Date: 21/10/2013



STATEMENT OF DIRECTORS' RESPONSIBILITIES YEAR ENDED 30 JUNE 2013

The Bank's directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by Law No 55/2007 of 30 November 2007 relating to statutes of National Bank of Rwanda, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors' responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The Directors are required to prepare financial statements for each year that give a true and fair view of the state of affairs of the Bank as at the end of the financial year and of the operating results of the Bank for that year. It also requires the Directors to ensure the Bank keeps proper accounting records that disclose with reasonable accuracy the financial position of the Bank.

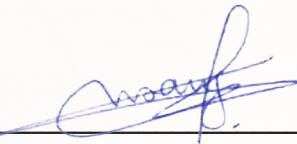
The Directors accept responsibility for the financial statements set out on pages 5 to 48 which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and the Law No. 55/2007 of 30 November 2007 relating to statutes of the National Bank of Rwanda. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs and the profit and cash flows for the year ended 30 June 2013. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

The directors have made an assessment of the Bank's ability to continue as a going concern and have no reason to believe the bank will not be a going concern for the next twelve months from the date of this statement.

The Independent Auditor is responsible for reporting on whether the annual financial statements are fairly presented in accordance with the International Financial Reporting Standards and the Law No. 55/2007 of 30 November 2007 relating to statutes of the National Bank of Rwanda.

Approval of the Financial Statements

The financial statements, as indicated above, were approved by the board of directors on 30 September 2013 and were signed on its behalf by:

 _____ Governor	 _____ Director
Date: <u>21/10/2013</u>	Date: <u>14/10/2013</u>



REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF NATIONAL BANK OF RWANDA

Report on the Financial Statements

We have audited the accompanying financial statements of National Bank of Rwanda set out on pages 5 to 48. These financial statements comprise the statement of financial position at 30 June 2013, and statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibility for the financial statements

As stated on page 3, the Bank's Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and the requirements of Law No. 55/2007 of 30 November 2007 relating to statutes of the National Bank of Rwanda and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Bank as at 30 June 2013, and the Bank's financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and Law No. 55/2007 of 30 November 2007 relating to statutes of the National Bank of Rwanda.


John Ndunyu
KPMG Rwanda Limited
Certified Public Accountants
P. O. Box 6755
Kigali - Rwanda



Date: 22 OCTOBER 2013



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2013

		30-June-13 Frw '000'	30-June-12 Frw '000'
	Note		
Interest Income	3	4,113,391	5,437,107
Interest expense	4	(3,126,481)	(6,696,148)
Net interest income		986,910	(1,259,041)
Net fees and commission expenses	5	(151,824)	(193,948)
Foreign exchange gain and fair value gains/(losses)	6	21,911,508	13,866,874
Other operating income	7	<u>6,316,123</u>	<u>7,285,068</u>
Operating income		29,062,717	19,698,953
Net Impairment loss on financial assets	14(b)	(155,342)	-
Personnel expenses	8(a)	(8,246,387)	(7,688,542)
Depreciation and amortization	8(b)	(1,784,902)	(680,095)
Other operating expenses	8(c)	<u>(5,439,878)</u>	<u>(4,426,569)</u>
Profit for the year		<u>13,436,208</u>	<u>6,903,747</u>
Other comprehensive income			
Net changes in fair value on available for sale financial assets (page 7)		221,565	1,669,932
Revaluation gain on property and equipment	17	<u>7,223,636</u>	-
Total comprehensive income for the year		<u>20,881,409</u>	<u>8,573,679</u>

The notes set out on pages 120 to 155 form an integral part of these financial statements.

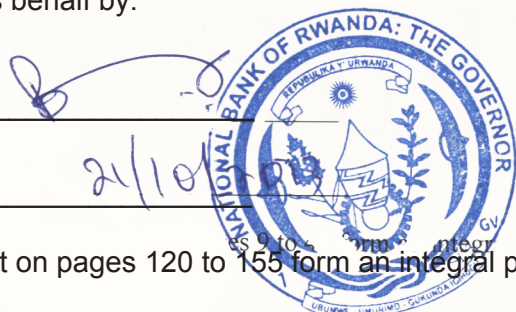
STATEMENT OF FINANCIAL POSITION

		30-June-13 Frw '000'	30-June-12 Frw '000'
ASSETS	Note		
Cash and cash equivalents	9 (a)	16,760,156	5,955,905
Foreign assets		672,743,983	519,179,264
International Monetary Fund Quota	9 (b)	76,773,318	74,251,386
Due from Government of Rwanda	10	38,571,805	38,597,550
Loans and advances to banks	11	1,305,259	1,918,484
Due from International Finance Corporation	12	7,260,348	5,953,536
Loans and advances to staff	13	5,735,695	5,007,285
Other investment	14	6,164	6,164
Investment property	15	465,532	73,109
Property and equipment	16	15,592,012	6,379,003
Intangible assets	17	640,000	560
Other assets	18	<u>17,593,873</u>	<u>18,673,814</u>
TOTAL ASSETS	19	<u>853,448,145</u>	<u>675,996,060</u>
LIABILITIES			
Currency in circulation	20	137,666,268	129,876,564
Government deposits	21	309,967,457	156,513,929
Due to local financial institutions	22	155,154,090	169,016,173
Due to International Monetary Fund	23	158,642,599	153,801,483
Foreign liabilities	24	8,163,252	7,528,397
Other liabilities	25	<u>15,014,338</u>	<u>10,437,869</u>
TOTAL LIABILITIES		<u>784,608,004</u>	<u>627,174,415</u>
EQUITY AND RESERVES			
Share capital (page 7)		7,000,000	7,000,000
General Reserve Fund (page 7)	26	8,948,506	8,505,380
Other Reserves (page 7)	27	<u>52,891,635</u>	<u>33,316,265</u>
TOTAL EQUITY AND RESERVES	28	<u>68,840,141</u>	<u>48,821,645</u>
TOTAL LIABILITIES AND EQUITY		<u>853,448,145</u>	<u>675,996,060</u>

The financial statements were approved by the Board of Directors for issue on 30 September 2013 and signed on its behalf by:

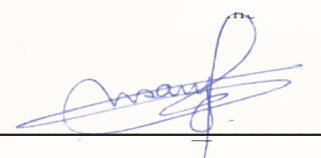
Governor

Date:



Director

Date:



The notes set out on pages 120 to 155 form an integral part of these financial statements.



STATEMENT OF CHANGES IN EQUITY

	Share capital	General reserve fund	Retained earnings	AFS reserve	Staff welfare reserve	Translation reserve	Modernization	IT	Revaluation Reserve	Proposed dividend	Total
	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'	Frw '000'
As at 1 July 2011	7,000,000	8,933,479	624,551	640,176	3,626,326	21,369,925		-	1,412,420	416,220	44,023,097
Comprehensive income for the period											
Profit for the year	-	-	6,903,747	-	-	-	-	-	-	-	6,903,747
Other comprehensive income for the period											
Fair value movement on available for sale	-	-	-	1,669,932	-	-	-	-	-	-	1,669,932
Transfer to Retained Earnings	-	(428,099)	428,099	-	-	-	-	-	-	-	-
Transfer to Other Reserves											
Fair value loss movement	-	-	2,306,262	(2,306,262)	-	-	-	-	-	-	-
Staff welfare	-	-	(265,876)	-	265,876	-	-	-	-	-	-
Proposed Dividend	-	-	(1,506,630)	-	-	-	-	-	-	1,506,630	-
Foreign assets (exchange revaluation gain)	-	-	(4,688,116)	-	-	4,688,116	-	-	-	-	-
Effects of Prior year adjustments	-	-	(3,775,131)	-	-	-	-	-	-	-	(3,775,131)
As at 30 June 2012	7,000,000	8,505,380	26,906	3,846	3,892,202	26,058,041		-	1,412,420	1,922,850	48,821,645
Comprehensive income for the period											
Profit for the year	-	-	13,436,208	-	-	-	-	-	-	-	13,436,208
Other comprehensive income for the period											
Fair value movement on available for sale	-	-	-	221,565	-	-	-	-	-	-	221,565
Transfer to other reserves											
Foreign assets (exchange) revaluation gain	-	-	(15,231,371)	-	-	15,231,371	-	-	-	-	-
Building revaluation reserves	-	-	-	-	-	-	-	7,223,636	-	-	7,223,636
Dividend paid	-	-	-	-	-	-	-	-	-	(82,482)	(82,482)
Effects of Prior year adjustments	-	443,126	(1,223,557)	-	-	-	-	-	-	-	(780,431)
Reclassification of proposed dividends	-	-	1,139,781	-	-	-	700,587	-	-	(1,840,368)	-
As at 30 June 2013	7,000,000	8,948,506	(1,852,033)	225,411	3,892,202	41,289,412	700,587	8,636,056	-	-	68,840,141

The notes set out on pages 120 to 155 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS

		30-June-13 Frw '000'	30-June-12 Frw '000'
	Note		
Net cash flow from operating activities	30	159,601,181	63,955,157
Investing activities			
Purchase of property and equipment	17	(3,355,192)	(2,457,052)
Proceeds from sale of equipment		<u>415,759</u>	<u>11,134</u>
Net cash flow from investing activities		<u>(2,939,433)</u>	<u>(2,445,918)</u>
Financing activities			
Increase in currency in circulation	20	7,789,704	14,825,311
Dividend paid		<u>(82,482)</u>	<u>(416,220)</u>
Net cash flow from financing activities		<u>7,707,222</u>	<u>14,409,091</u>
Net cash increase/(decrease) in cash and cash equivalents		164,368,970	75,918,330
Cash and cash equivalents at the beginning of the year		<u>525,135,169</u>	<u>449,216,839</u>
Cash and cash equivalents at the end of the year	31	<u>689,504,139</u>	<u>525,135,169</u>

The notes set out on pages 120 to 155 form an integral part of these financial statements.



1. REPORTING ENTITY

The National Bank of Rwanda (the “Bank”) is wholly owned by the Government of Rwanda. The Bank is established by and derives its authority and accountability from Law No. 55/2007 of 30 November 2007 relating to statutes of the National Bank of Rwanda and is domiciled in Rwanda. The Bank also acts as banker, advisor and fiscal agent of the Government of Rwanda.

Article 6 of that Law specifies that the Bank shall perform the following duties:

- To formulate and implement the monetary policy;
- To organize, supervise and regulate the local foreign exchange market;
- To supervise and regulate the activities of the local financial institutions notably banks, micro finance institutions; insurance companies, social institutions, collective placement companies and pension fund institutions;
- To supervise and regulate the payment systems;
- To print, mint and manage money;
- To hold and manage official foreign exchange reserves;
- To act as State Cashier;
- To carry out any other task that this Law or any another Law may assign to it.

Article 2 of the same Law, fixes the Bank’s share capital to seven (7) billion Rwanda Francs (Frw). In order to comply with it, during its meeting of 28 June 2008, the Board of Directors decided to increase the share capital from 2 billion Frw to 7 billion Frw by incorporating an amount of Frw 5 billion from the general reserve fund account.

In accordance with article 66 of the Law No 55/2007 of 30 November 2007, the Bank’s net profit is appropriated as follows:

- A part of 20 % of the net profit is incorporated in the General Reserve Account.
- After all other appropriations to reserves deemed necessary by the Board of Directors, the remaining balance is paid to the Public Treasury.

2. SIGNIFICANT ACCOUNTING POLICIES

- **Basis of preparation**

The principal accounting policies adopted in preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

- i. **Statement of compliance***

The financial statements have been prepared in accordance, and comply with International Financial Reporting Standards (IFRS) and Law No 55/2007 of 30 November 2007 relating to the statutes of the National Bank of Rwanda, which generate policies that govern operations with the approval of the board of directors.

- ii. **Basis of measurement***

The financial statements are prepared under the historical cost basis except for the Following:

- financial instruments at fair value through profit or loss are measured at fair value;
- available-for-sale financial assets are measured at fair value;
- buildings measured at revalued amounts

- iii. **Use of estimates and judgments***

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the directors' best knowledge of current events and actions, actual results ultimately may differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The most significant use of judgments and estimates are made for the following items:

Impairment of loans and advances

The Bank reviews its loans and advances at each reporting date to assess whether an allowance for impairment should be recognized in profit or loss. In particular, judgment by the directors is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are based on the assumptions about a number of factors and actual results may differ, resulting in future changes in the allowance.

In addition to specific allowances against individual significant loans and advances, the Bank makes a collective impairment allowance against exposures which, although not specifically identified as requiring a specific allowance, have a greater risk of default than when originally granted. This takes into consideration such factors as any deterioration in industry, technological obsolescence, as well as identified structural weaknesses or deterioration in cash flows.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(iii) Use of estimates and judgments (Continued)

Impairment of equity investment

The Bank's investment in equity is reviewed every time there is a significant and prolonged decline in its fair value compared to its cost or where objective evidence of impairment exists.

Property, equipment and intangible assets

Critical estimates are made by management in determining depreciation and amortization rates for property, equipment, and intangible assets. The rates used are set out in the accounting policies (d) and (e) below.

iv. **Functional and presentation currency**

These financial statements are presented in Rwanda Francs (Frw) which is the Bank's functional currency.

Except as otherwise indicated, financial information presented in Rwanda Francs has been rounded to the nearest thousands.

• **Revenue recognition**

Revenue is recognized when it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

• **Interest income and expenses**

Interest income and expense are recognized in the profit or loss for all interest bearing instruments on an accrual basis using the effective interest method based on the actual purchase price.

The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

When calculating the effective interest rate, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes all transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or liability.

Interest income includes coupons earned on fixed income investment and trading securities and accrued discount and premium on treasury bills and other discounted instruments.

- **Fees and commission income**

Fees and commission income, which arise from financial services provided by the Bank, are recognized when the corresponding services are provided.

- **Other income and expenses**

The non interest income and expenses are recognized in the period in which they are earned or incurred. They are not accrued if their recoverability is considered doubtful.

- **Translation of foreign currencies**

Transactions in foreign currencies are converted into Rwanda Francs at rates ruling at the transaction dates. Assets and liabilities at the reporting date which are expressed in foreign currencies are translated to Rwanda Francs at the spot exchange rate ruling at that date. The resulting differences from conversion and translation are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the spot exchange rates at the date when the fair value was determined.

- **Property and equipment**

Property and equipment are measured at cost/revaluation less accumulated depreciation and accumulated impairment losses. Changes in expected useful life are accounted for by changing the depreciation period or method. Depreciation is calculated using the straight-line method to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated. The annual depreciation rates in use for the current and comparative periods for each category are:

Buildings	4-20%
Lift for the headquarter	10%
Computer equipment	33%
Currency processing machines	20%
Motor vehicles	25%
Furniture, fittings and office equipment	10-20%
Security equipment	15%

Property that is being constructed or developed for future use to support operations is classified as capital Work-in-Progress (WIP) and stated at cost until construction or development is complete, at which time it is reclassified as property and equipment in use.

Subsequent expenditure is capitalized only when it increases future economic benefits and meets the recognition criteria. Expenditure incurred to replace a major component of an item of property and equipment is accounted for separately and capitalized while the replaced component is derecognized.

All other expenditure items which do not meet the recognition criteria are recognized in profit or loss as they are incurred.

2. **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated between the net disposal proceeds and the carrying amount of the asset) is recognized in profit or loss as other income or other expense in the year the asset is derecognized.

The assets residual values, useful lives and methods of depreciation are reviewed and adjusted if appropriate at each financial year end. An asset's carrying amount is written down immediately to its recoverable amount if the carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value (less costs to sell) and value in use.

Revaluation of land and buildings is carried out at least once every five years.

- **Intangible asset**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets that are being developed for future use to support operations are classified as Work –in – Progress (WIP) and stated at cost until development is complete, at which time they are reclassified as Intangible assets.

The useful lives of intangible assets are assessed to be finite and these assets are amortized over their useful economic life. The amortization period of assets with a finite useful life are reviewed at least at each financial year end and adjusted if appropriate. The amortization expense on intangible assets with finite lives is recognized in profit or loss.

Amortization is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives as follows:

Computer software	33.3 % (annual amortization rate)
-------------------	-----------------------------------

The gain or loss arising from the derecognition of an intangible asset shall be determined as the difference between proceeds, if any, and the carrying amount of the asset. It shall be recognized in profit or loss when the asset is derecognized.

Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted when deemed appropriate.

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

- **Stocks of consumables.**

Stocks of consumables are valued at the lower of cost and net realizable value. Cost is estimated using the weighted average method. Provisions are made for all anticipated stock losses, impairment and obsolescence.

- **Currency printing and minting costs**

Banknotes printing expenses for each denomination which include ordering, printing, freight, insurance and handling costs are initially deferred. Based on the currency issued into circulation, the respective proportional actual costs incurred are released to the profit or loss from the deferred costs account over the useful period (life span) of each banknote denomination. The deferred amount is recognized as prepayment and represents un-issued banknotes (currency) stock. Cost of coins minted is expensed in full on delivery in the year of purchase/acquisition. The life span of each bank note denomination is described in note 3(c).

- **Financial instruments**

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

- ***Date of recognition***

Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market-place are recognized on the trade date, which is the date that the Bank commits to purchase or sell the asset.

- ***Recognition and initial measurement***

The classification of financial instruments at initial recognition depends on the purpose for which the financial instruments were acquired and their characteristics. All financial instruments are measured initially at their fair value plus, in the case of financial assets and financial liabilities not at fair value through profit or loss, any directly attributable costs of acquisition or issue of the financial asset or liability.

- ***Classification and measurement***

The Bank determines the classification of its investments at initial recognition. The main categories include:

Loans and receivables

Loans and receivables are advances made by the bank including loans and advances to staff. They are initially measured at the fair value and subsequently at the amortized cost using effective interest rate. Amortized cost represents the amounts at which the financial instruments were measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest rate of any difference between the initial amount and the maturity amount and minus any write down for impairment or un-collectability.

In its capacity as cashier and banker of the Government, the Bank may make direct advances to the Government for the purpose of offsetting fluctuations between Government receipts and expenditure. In accordance with article No 49 of the Law No 55/2007, the total amount of the advances to Government shall not exceed eleven per cent of the gross ordinary revenue of the Government collected during the preceding fiscal year. Interest is charged at the average daily inter-bank money market rate and is paid quarterly by the Government.



2. **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

In accordance with the agreement No 5/96 between BNR and the Government of Rwanda dated 6 February 1996, all the other unpaid loans granted to the Government before 31 December 1994, in addition to the balance of the revaluation account as at 6 March 1995 were consolidated and are charged at an interest rate of 2 % per year. From January 2002, the recovery of the principal of that consolidated debt is made through a reduction of 30 % of the annual dividend payable to the Government.

As the lender of last resort, the Bank may grant loans or advances for fixed period not exceeding seven days to commercial banks that pledge securities specified by the Bank. Interest rates charged to these banks are determined by the Bank based on the inter-bank money market rates.

The Bank manages certain lines of credit granted to the Government of Rwanda created in order to facilitate specific economic activities, and it can also create its own funds with the aim of encouraging that sector.

Specific provisions for loan impairment are made each time they are considered as irrecoverable in accordance with instruction No 03/2000 of March 2000 relating to classification of assets and monitoring of liabilities of banks and other financial institutions. When a loan is deemed uncollectable, it is written off against the related provision for impairment. Subsequent recoveries are credited to profit or loss, if previously written off.

Held to maturity

Investments classified as held to maturity are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank has the intention and ability to hold to maturity. After initial measurement, held-to-maturity financial investments are subsequently measured at amortized cost using the effective interest method, less allowance for impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The amortization is included in 'Interest income' in profit or loss.

The losses arising from impairment of such investments are recognized in the profit or loss line 'Impairment losses on financial investments'. Were the Bank to sell other than an insignificant amount of such assets, the entire category would be reclassified as available for sale. The Bank currently classifies term deposits, Government securities, repurchase and reverse purchase instruments as held to maturity.

Available-for-sale financial assets

Available-for-sale investments are non-derivative investments that are designated as available-for-sale or are not classified as another category of financial assets. Unquoted equity securities whose fair value cannot reliably be measured are carried at cost. All other available-for-sale investments are carried at fair value.

Interest income is recognized in profit or loss using the effective interest method. Foreign exchange gains or losses on available-for-sale debt security investments are recognized in profit or loss. Other fair value changes are recognized in other comprehensive income until the investment is sold or impaired, whereupon the cumulative gains and losses previously recognized in other comprehensive income is reclassified to profit or loss as a reclassification adjustment.

A non-derivative financial asset is reclassified from the available-for-sale category to the loans and receivables category if it otherwise would have met the definition of loans and receivables and if the Bank has the intention and ability to hold that financial asset for the foreseeable future or until maturity.

Cash and cash equivalents

Cash and cash equivalents comprises of cash balances, bank deposits, current accounts, gold holding, government securities with maturity of up to 3 months from the date of issue. Cash and cash equivalents are carried at amortized cost in the statement of financial position.

Financial liabilities

Financial liabilities are measured at amortized cost except for financial liabilities designated at fair value through profit and loss. Financial liabilities are initially recognized at fair value less, in the case of liabilities carried at amortized cost (including due to banks, due to International Monetary Fund other deposits and other funds borrowed), transaction costs incurred and any difference between the proceeds net of transaction costs and the redemption amount is recognized in the profit or loss as interest expense over the period to maturity using the effective interest rate method. Financial liabilities which are repayable on demand are recorded at nominal value. Deposits represent reserve deposits of depository institutions' participants and current accounts of the Bank. The Bank has classified the following financial instruments as financial liabilities:

- *Currency in circulation*

Currency issued by the Bank represents a claim on the Bank in favour of the holder. The liability for currency in circulation is recorded at face value in these financial statements. Currency in circulation represents the face value of notes and coins in circulation. Notes and coins held by the Bank as cash in main vault, intermediary vault, and cashier at the end of the financial year are netted off against the liability for notes and coins in circulation because they do not represent currency in circulation.

- *Deposits*

Deposits are non-derivative financial liabilities with fixed or determinable receipts that are not quoted in an active market. They arise when the Bank receives money or services directly from counterparty with no intention of trading the payable. Deposits held are carried at cost with interest income accruing on an effective interest rate basis.

Cash Ratio Deposits are taken from commercial banks for liquidity management (monetary policy purposes) of the Bank in accordance with the Banking Act and are interest free. Cash Ratio Reserves is a monetary policy instrument used to manage liquidity. The deposits earn no interest to commercial banks and the Bank does not trade on these deposits in any way. The deposits are currently computed at 4.5% of each commercial bank's deposits taken from the public. Each commercial bank is required to deposit the applicable amount at the Bank and the computation is done on a monthly basis.



2. **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- ***Other liabilities***

Other liabilities are stated at their nominal value/cost, which approximates fair value due to the short term nature thereof.

Financial assets at fair value through profit or loss: Held for Trading

A financial asset is classified in this category if it is acquired principally for the purpose of selling in the short term or if so designated by management. Derivatives are classified as held at fair value through profit or loss.

The Bank has classified the Reserve Asset Management Programme (RAMP) financial instruments as held for trading.

- ***Derecognition***

Financial assets are de-recognized when the rights to receive cash flows from the financial assets have expired or where the Bank has transferred substantially all of the risks and rewards of ownership.

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the profit or loss.

The gains and losses on investments held to maturity and loans and receivables are recognized in profit or loss when the investments are derecognized.

- ***Gains and losses on subsequent measurement***

Gains and losses on amortization of premiums or discounts of financial instruments carried at amortized cost are recognized in profit or loss of the period in which they arise. Gains and losses due to impairment are recognized as stated in the paragraph dealing with impairment.

- ***Offsetting***

Financial assets and financial liabilities are offset and the net amount reported on the reporting date only where there is a legally enforceable right to set off the recognized amount and there is an intention to settle on a net basis or to realize the asset and settle the liability simultaneously.

- ***Impairment of financial assets***

At each reporting date, the Bank assesses whether there is objective evidence that a financial asset not carried at fair value through profit or loss is impaired. Financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the assets, and that the loss event has an impact on the future cash flows on the assets that can be estimated reliably.

The Bank considers evidence of impairment at both a specific asset and collective level. All individually significant financial assets are assessed for specific impairment. All significant assets found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together financial assets (carried at amortized cost) with similar risk characteristics.

Objective evidence that financial assets (including equity securities) are impaired can include default or delinquency by a borrower, restructuring of a loan or advance by the Bank on terms that the Bank would otherwise consider, indications that a borrower or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

In assessing collective impairment, the Bank uses statistical modeling of historical trends of the probability of default, timing of recoveries and the amount of loss incurred, adjusted for management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical modeling. Default rates, loss rates and the expected timing of future recoveries are regularly benchmarked against actual outcomes to ensure that they remain appropriate.

Impairment losses on assets carried at amortized cost are measured as the difference between the carrying amount of the financial assets and the present value of estimated cash flows discounted at the assets' original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account against loans and advances. Interest on the impaired asset continues to be recognized through the unwinding of the discount.

When a subsequent event causes the amount of impairment loss to decrease, the impairment loss is reversed through profit or loss. Impairment losses on available-for-sale investment securities are recognized by transferring the difference between the amortized acquisition cost and current fair value out of other comprehensive income to profit or loss as a reclassification adjustment. When a subsequent event causes the amount of impairment loss on an available-for-sale debt security to decrease, the impairment loss is reversed through profit or loss.

However, any subsequent recovery in the fair value of an impaired available-for-sale equity security is recognized directly in other comprehensive income. Changes in impairment provisions attributable to time value are reflected as a component of interest income.

The carrying amounts of the Bank's non-financial assets other than stock of consumables are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.



2. **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- ***Impairment of non-financial assets***

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets or group of assets. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization in no impairment was derecognized.

- ***Investment property***

The Bank holds certain properties as investments to earn rental income or capital appreciation or any currently undetermined future use. Investment properties are carried at cost less accumulated depreciation and accumulated impairment. Depreciation is calculated at a rate of 10 % using the straight-line method.

Gains or losses arising from the retirement/ disposal of investment property shall be determined as the difference between the net disposal proceeds and the carrying amount of the asset and shall be recognized in profit or loss.

- ***Provisions***

Provisions are recognized when the bank has a present obligation (legal or constructive) as a result of past event, and it is probable that an outflow of resource embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

- ***Cash and cash equivalents***

Cash comprises of foreign currency held in the Bank and demand deposits held with foreign banks. Cash equivalents comprise of short term highly liquid investments and term deposits that are readily convertible into known amounts of cash and which are subject to an insignificant risk changes in value. The short-term highly liquid investments include balances with maturities of three months or less from the date of acquisition.

- ***Employee benefits***

In accordance with the existing law relating to social security, the Bank makes contributions to Rwanda Social Security Board on behalf of its employees. The Bank's contribution is charged to profit or loss in the year to which it relates.

The Bank also has an in-house managed defined contribution plan. A defined contribution plan is a post-employment benefit under which an entity pays even contributions and has no legal/constructive obligation to pay future amounts. Obligations for contributions to the defined contribution plan are recognized as an expense in profit or loss in the period in which the service is rendered by the employee. The employees' contribution amounts to a third of the total monthly salary and the remaining two thirds is contributed by the Bank, and is charged to profit or loss in the year to which it relates.

The estimated monetary liability for employees leave entitlement at the reporting date is recognized as an accrual expense. This amount is written back to profit or loss when employees utilize their leave days in subsequent periods. The Bank also provides medical facilities for the employees and their families. Related costs are charged to profit or loss.

- ***Commitments on behalf of the Government of Rwanda***

Commitments on behalf of Government of Rwanda arising from the issue of Treasury bills and Treasury bonds are not included in these financial statements as the Bank is involved in such transactions only as an agent.

- ***Taxation***

Accordingly to Article No 74 of the Law No 55/2007 of 30 November 2007, the Bank is considered as the State with regard to the rules of tax liability and tax payment pertaining to all taxes levied for the benefit of the State and its administrative entities. The Bank is therefore exempt from taxes.

- ***Dividends payable***

Dividends are accounted for when payment is made. Dividends declared after the reporting date, but before financial statements are authorized for issue, are disclosed in the notes to the financial statements.

- ***Government grant and government assistance***

The Bank, being a wholly owned governmental financial institution, may receive grants in both monetary and non-monetary basis. Government grants are recognized as income over the period necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants related to assets, including non-monetary grant at fair value, are presented in the statement of financial position by setting up the grant as deferred income. In addition, the Bank may receive certain forms of government assistance which cannot reasonably have a value placed upon them, and transactions with Government which cannot be distinguished from the normal trading transactions of the entity. The Bank's policy on government assistance that cannot be reliably measured is to disclose the nature, extent and duration of the assistance in order that the financial statements are not misleading.



2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

- **New and amended standards and interpretations.**

New or Revised pronouncement

Standard/Interpretation		Effective date
IFRS 10	<i>Consolidated Financial Statements</i>	Applicable to annual reporting periods beginning on or after 1 January 2013
IFRS 11	<i>Joint Arrangements</i>	Applicable to annual reporting periods beginning on or after 1 January 2013
IFRS 12	<i>Disclosure of Interests in Other Entities</i>	Applicable to annual reporting periods beginning on or after 1 January 2013
IFRS 13	<i>Fair Value Measurement</i>	Applicable to annual reporting periods beginning on or after 1 January 2013
IAS 19	<i>Employee Benefits (2011)</i>	Applicable to annual reporting periods beginning on or after 1 January 2013
IAS 27	<i>Separate Financial Statements (2011)</i>	Applicable to annual reporting periods beginning on or after 1 January 2013
IAS 28	<i>Investments in Associates and Joint Ventures (2011)</i>	Applicable to annual reporting periods beginning on or after 1 January 2013
IFRIC 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i>	Applicable to annual reporting periods beginning on or after 1 January 2013
IFRS 1 amendment	<i>Government Loan</i>	Applicable to annual reporting periods beginning on or after 1 January 2013
IFRS 7 amendment	<i>Disclosures: Offsetting Financial Assets and Financial Liabilities</i>	Applicable to annual reporting periods beginning on or after 1 January 2013
IAS 32 amendment	<i>Offsetting Financial Assets and Financial Liabilities</i>	Applicable to annual reporting periods beginning on or after 1 January 2014
IFRS 9	<i>Financial Instruments (2010)</i>	Applies to annual periods beginning on or after 1 January 2015
IAS 36 amendment	<i>Recoverable Amount Disclosure for Non-Financial Assets</i>	Applicable to annual reporting periods beginning on or after 1 January 2014
IAS 39 amendment	<i>Novation of Derivatives and Continuation of Hedge Accounting</i>	Applicable to annual reporting periods beginning on or after 1 January 2014

The Bank will adopt the above standards, interpretations and amendments on their effective dates.

The Bank does not intend early adopting any of the above amendments, standards and interpretations.

IFRS 13 Fair Value Measurement

IFRS 13 will be adopted by the National Bank of Rwanda for the first time for its financial reporting period ending 30 June 2014. The standard will be applied prospectively and comparatives will not be restated.

IFRS 13 introduces a single source of guidance on fair value measurement for both financial and non-financial assets and liabilities by defining fair value, establishing a framework for measuring fair value and setting out disclosures requirements for fair value measurements. The key principles in IFRS 13 are as follows:

- Fair value is an exit price
- Measurement considers characteristics of the asset or liability and not entity specific characteristics

- Measurement assumes a transaction in the entity's principle (or most advantageous) market between market participants
- Price is not adjusted for transaction costs
- Measurement maximises the use of relevant observable inputs and minimises the use of unobservable inputs
- The three-level fair value hierarchy is extended to all fair value measurements

The impact on the financial statements for 30 June 2014 cannot be reasonably estimated as at 30 June 2013.

Amendment to IAS 19 Employee Benefits: Defined benefit plans

- The amendments to IAS 19 will be adopted by the National Bank of Rwanda for the first time for its financial reporting period ending 30 June 2014. In terms of the amendments, the following key change will have an impact on the Bank:
 - The definitions of short-term and other long-term employee benefits have been amended and the distinction between the two depends on when the entity expects the benefit to be settled;
 - All actuarial gains and losses must be recognized immediately in other comprehensive income;
 - The calculations of finance costs has been revised;
 - Additional disclosures required for defined benefit plans; and
 - Possible changes to the timing of the recognition of termination benefits.
- This amendment will most significantly impact the Banks recognition of actuarial gains and losses.

IFRS 7 amendment

This amendment will be adopted by the National Bank of Rwanda for the first time for its financial reporting period ending 30 June 2014.

This amendment sets out the additional disclosure requirements resulting from the IAS 32 offsetting amendment. The impact on the financial statements for 30 June 2014 cannot be reasonably estimated as at 30 June 2013.

• **New standards and interpretations not yet adopted (continued)**

IAS 32 amendment

This amendment will be adopted by the National Bank of Rwanda for the first time for its financial reporting period ending 30 June 2015. This amendment provides clarity on the application of the offsetting criteria listed in the current standard.

The impact on the financial statements for 30 June 2015 cannot be reasonably estimated as at 30 June 2013.

IFRS 9 (2010) Financial Instruments

IFRS 9 (2010) will be adopted by the National Bank of Rwanda for the first time for its financial reporting period ending 30 June 2016. The standard will be applied retrospectively, subject to transitional provisions.

2. **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

IFRS 9 (2010) addresses the measurement and classification of financial liabilities and will replace the relevant sections of IAS 39.

Under IFRS 9 (2010), the classification and measurement requirements of financial liabilities are the same as per IAS 39, except for the following two aspects:

- Fair value changes for financial liabilities (other than financial guarantees and loan commitments) designated at fair value through profit or loss, that are attributable to the changes in the credit risk of the liability will be presented in other comprehensive income (OCI). The remaining amount of the fair value change is recognized in profit or loss. However, if this requirement creates or enlarges an accounting mismatch in profit or loss, then the whole fair value change is presented in profit or loss. The determination as to whether such presentation would create or enlarge an accounting mismatch is made on initial recognition and is not subsequently reassessed.
- Under IFRS 9 (2010) derivative liabilities that are linked to and must be settled by delivery of an unquoted equity instrument whose fair value cannot be reliably measured, are measured at fair value.

IFRS 9 (2010) incorporates, the guidance in IAS 39 dealing with fair value measurement and accounting for derivatives embedded in a host contract that is not a financial asset, as well as the requirements of IFRIC 9 Reassessment of Embedded Derivatives.

The impact on the financial statements for 30 June 2016 cannot be reasonably estimated as at 30 June 2013.

- **CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including experience of future events that are believed to be reasonable under the circumstances. The most significant use of judgement and estimates are as follows:

- **Impairment losses on loans, advances and receivables**

The Bank reviews its loans, advances and receivables at each reporting date to assess whether an allowance for impairment should be recognized in the profit or loss. In particular, judgement by the directors is required in the estimation of the amount and timing of future cash flows when determining the level of allowance required. Such estimates are based on the assumptions about a number of factors and actual results may differ, resulting in future changes in the allowance.

In addition to specific allowances against individual significant loans and advances, the Bank makes a collective impairment allowance against exposures which, although not specifically identified as requiring a specific allowance, have a greater risk of default than when originally granted. This takes into consideration such factors as any deterioration in industry, technological obsolescence, as well as identified structural weaknesses or deterioration in cash flows.

- **Property, equipment and intangible assets**

Critical estimates are made by the management in determining depreciation and amortisation rates for property, equipment and intangible assets. The rates used are set out in the Note 2 (d).

- **Useful life of currency**

Banknotes printing expenses for each denomination which include ordering, printing, freight, insurance and handling costs are initially deferred. Based on the currency issued into circulation, the respective proportional actual costs incurred are released to the income statement from the deferred costs account over the useful period (life span) of each banknote denomination. The deferred amount is recognized as prepayment and represents un-issued banknotes (currency) stock. Previously the costs were expensed upon delivery of currency stock. Cost of coins minted is expensed in full on delivery in the year of purchase/acquisition.

Useful lives of the various banknotes denominations are currently estimated as follows:

FRW 5,000	2 years
FRW 2,000	2years
FRW 1,000	1 year and 6 months
FRW 500	1 year

The useful life for all other denominations (coins) is estimated at 10 years.

Coins are issues in the denominations of; FRW100, FRW50, FRW20, FRW10, FRW5 and FRW1

- **Fair value of financial instruments**

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

All financial instruments are initially recognized at fair value, which is normally the transaction price. In certain circumstances, the initial fair value may be based on a valuation technique which may lead to the recognition of profits or losses at the time of initial recognition. However, these profits or losses can only be recognized when the valuation technique used is based solely on observable market inputs.

Subsequent to initial recognition, some of the bank's financial instruments are carried at fair value, with changes in fair value either reported within profit or loss or within other comprehensive income until the instrument is sold or becomes impaired.

The fair values of quoted financial instruments in active markets are based on current prices. If the market for a financial instrument is not active including for unlisted securities, the Bank establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants.



Where representative prices are unreliable because of illiquid markets, the determination of fair value may require estimation of certain parameters, which are calibrated against industry standards and observable market data, or the use of valuation models that are based on observable market data.

The fair value for the majority of the Bank's financial instruments is based on observable market prices or derived from observable market parameters.

- **Comparatives**

Where necessary, comparative figures have been reclassified to conform with the current year's presentation. The following reclassifications were made as at 30 June 2013.

	30-June-13 (Frw '000')	Reclassification	30-June-13 (Frw '000')
General Reserve Fund	15,409,127	6,903,747	8,505,380
Personnel expenses	(7,688,542)	(7,688,542)	-
Depreciation and amortization	(680,095)	(680,095)	-
Other operating expenses	(4,426,569)	(4,426,569)	-
Operating expense (Total)	(12,795,206)	-	(12,795,206)
Other operating income	7,285,068	6,385,242	899,826
Interest expense	6,696,148	6,385,241	310,907

3. INTEREST INCOME

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Interest Income on local operations	1,965,155	2,119,876
Interest Income on Foreign currency transactions	<u>2,148,236</u>	<u>3,317,231</u>
	<u>4.113.391</u>	<u>5.437.107</u>

4. INTEREST EXPENSE

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Interest on IMF fund	59,747	185,991
Other interest and similar expenses	154,670	124,916
Interest paid on monetary policy issues	<u>2,912,064</u>	<u>6,385,241</u>
	<u>3.126.481</u>	<u>6.696.148</u>

5. NET FEES AND COMMISSION EXPENSES

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Commission and fees income	494,436	296,384
Commission and fees paid	<u>(646,260)</u>	<u>(490,332)</u>
	<u>(151.824)</u>	<u>(193.948)</u>

6. FOREIGN EXCHANGE GAIN

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Net gain on foreign currency market intervention	430,946	643,389
Foreign exchange dealing profit on commercial banks	319,188	209,034
Transaction with foreign correspondent banks and local clients	6,460,539	6,866,550
Foreign assets (exchange) revaluation gain	15,231,371	4,688,116
Realised gain on foreign financial instruments	1,473,834	2,687,470
Realised loss on foreign financial instruments	(2,027,027)	(1,083,052)
Loss on foreign currency trading	(14,177)	(33,249)
Unrealized gain on foreign financial instruments	36,834	(111,384)
	<u>21,911,508</u>	<u>13,866,874</u>

7. OTHER OPERATING INCOME

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Fines, penalties and other administrative income	783,943	208,543
Written back accruals and provisions	1,339,642	130,579
Gain on sales of properties and equipment	296,132	11,134
Subvention from the Government of Rwanda	71,241	327,535
Interest refund from the Government of Rwanda	3,029,971	6,385,208
Other income	795,194	222,069
	<u>6,316,123</u>	<u>7,285,068</u>

8. OPERATING EXPENSES

(a) Personnel expenses

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Salaries and other related allowances	6,514,326	6,170,479
Pensions and insurance	578,370	524,904
Medical expenses	643,194	583,327
Training and development	494,843	383,002
Other expenses	15,654	26,830
	<u>8,246,387</u>	<u>7,688,542</u>

(b) Depreciation and amortization

	Note	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Depreciation of property and equipment	17	1,511,418	662,700
Amortization of intangible assets	18	257,810	2,562
Depreciation of investment property	16	15,674	14,833
		<u>1,784,902</u>	<u>680,095</u>



(c) Other operating expenses

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Bank notes printing and coins minting	1,230,523	1,652,584
General Administration expenses	3,355,416	2,203,673
Board and meeting expenses	244,084	114,403
Audit Fees	40,220	20,110
Provisions and other charges	501,402	356,935
Other expenses	<u>68,233</u>	<u>78,864</u>
	<u>5,439,878</u>	<u>4,426,569</u>

9. (a) CASH AND CASH EQUIVALENTS

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Cash in vault	<u>16.760.156</u>	<u>5.955.905</u>

(b) FOREIGN ASSETS (Refer to note 35.1)

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Current accounts	151,442,929	89,788,857
Fixed term placements with foreign correspondents	190,985,036	94,155,934
Foreign investments	206,440,462	220,754,426
Special Drawing Rights	78,999,839	76,770,653
Other foreign assets	44,801,679	37,682,904
Interest receivables	<u>74,038</u>	<u>26,490</u>
	<u>672.743.983</u>	<u>519.179.264</u>

10. INTERNATIONAL MONETARY FUND

The International Monetary Fund Quota refers to the Rwanda Government's total subscription to the International Monetary Fund (IMF). It is equal to Special Drawing Rights SDR 80,100,000 and was converted to Rwanda Francs based on the exchange rate of the Special Drawing Rights (SDR) applicable at the reporting date.

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Balance at the beginning of the year	74,251,386	76,965,858
Foreign currency adjustment	<u>2,521,932</u>	<u>(2,714,472)</u>
Balance at the end of the year	<u>76.773.318</u>	<u>74.251.386</u>

11. DUE FROM GOVERNMENT OF RWANDA

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Consolidated debt at the beginning of the year	38,597,550	72,166,089
Recovery in the year	(25,745)	(130,581)
Recovery on government overdraft	<u>-</u>	<u>(33,437,958)</u>
Balance at the end of the year	<u>38.571.805</u>	<u>38.597.550</u>

The Bank signed an agreement with the Government on 7 February 1996 to consolidate the entire Government debts amounting to Rwf 34,457 billion at a rate of 2 % per annum. The amount increased to Rwf 43,469 billion effective 1 August 1997 subsequent to the passing of Law No 11/97 regarding the statutes of the Bank which stipulated under its article 79, that the balance of the revaluation account as at 6 March 1995 would be consolidated with the amount of that initial debt. The recovery of the amount is done through a reduction of 30 % of the annual dividend payable to the Government commencing 2002 and interest on the debt is charged at 2% per annum on the outstanding balance.

The interest income received on the loan from government during the year amounted to 772 million Rwanda francs.

The bank retained an amount Rwf 25 million of dividends as re-payment for the loan, thus the government and the bank complied with the terms of the loan agreement. This loan is unsecured.

12. LOANS AND ADVANCES TO BANKS

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Current accounts with commercials banks	172,365	301,778
Loans to the agricultural and agro business sectors	1,132,894	1,616,706
Accrued interest on loans to banks	-	-
	<u>1.305.259</u>	<u>1.918.484</u>

13. DUE FROM INTERNATIONAL FINANCE CORPORATION

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Balance as at 30 June	<u>7.260.348</u>	<u>5.953.536</u>

On 9 November 2010, the Bank entered into a currency swap transaction with International Finance Corporation. The notional amount rendered by the bank was Frw 1.479 billion in exchange of USD 2.5 million. Every time a swap transaction is entered, a confirmation agreement is signed between IFC and the bank stipulating the terms of the transaction. During the year an additional 3.5 million dollar agreement was signed.

14. (a) LOANS AND ADVANCES TO STAFF

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Loans to staff	5,941,843	5,059,780
Provision for impairment	<u>(206,148)</u>	<u>(52,495)</u>
	<u>5.735.695</u>	<u>5.007.285</u>

(b) Provision for Impairment

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
At 1 July	52,495	52,495
Recovery during the year	(1,689)	-
Charge for the year	<u>155,342</u>	<u>-</u>
At 30 June	<u>206,148</u>	<u>52.495</u>



15. OTHER INVESTMENTS

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Cost	450,000	450,000
Provision for impairment	(443,836)	(443,836)
Carrying amount	<u>6,164</u>	<u>6,164</u>

The investment relates to capital subscribed in Société Interbancaire de Monétique et Telecompensation au Rwanda S.A (SIMTEL) which amounts to a shareholding of 7.98%. The shares in SIMTEL (now RSWITCH) are not listed and are not available for sale.

RSWITCH is registered and domiciled in Rwanda and it offers an inter-bank network for financial communication that supports card based payment systems, electronic funds transfers, simple bills payment system and capital market operations to banks and other financial institutions in Rwanda.

At the end of 2006, owing to accumulated losses, National Bank of Rwanda decided to provide the total cost of its investment in SIMTEL (now RSWITCH). In 2008, RSWITCH was restructured and National Bank of Rwanda share capital was revised to Frw 450 million.

16. INVESTMENTS PROPERTY

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Cost		
Balance at 1 July	313,490	313,490
Fair value gain		<u>408,097</u>
At 30 June	<u>721,587</u>	<u>313,490</u>
Depreciation		
Balance at 1 July	240,381	225,548
Depreciation charge for the year	<u>15,674</u>	<u>14,833</u>
At 30 June	<u>256,055</u>	<u>240,381</u>
Carrying value	<u>465,532</u>	<u>73,109</u>

Investment property is stated at depreciated cost. The property rental income earned by the Bank from this property is nominal on account of a preferential lease rental charged to its related company- RSWITCH. The direct operating expenses including repairs and maintenance are minimal and there are no significant contractual obligations to incur costs on repairs, maintenance or improvement thereto. The property is situated on plot number 1200 (R.C J number: 2141 KIG) and the directors are of the opinion that the carrying value is a fair presentation of its market value.

17. PROPERTY AND EQUIPMENT

	Land	Capital Work-in- progress	Buildings	Furniture & Equipment	Motor Vehicles	TOTAL
	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000	Frw '000
Cost/Valuation						
At 1 July 2012	1,579,667	1,254,250	3,201,371	6,364,079	162,024	12,561,391
Additions	73,000	3,122,887	-	159,305	-	3,355,192
Disposals	-	-	(18,687)	(87,293)	-	(105,980)
Revaluation	1,728,475	-	3,400,336	-	-	5,128,811
At 30 June 2013	3,381,142	4,377,137	6,583,020	6,436,091	162,024	20,939,414
Depreciation						
At 1 July 2012	-	-	1,987,377	4,106,871	88,140	6,182,388
Prior year adjustment	-	-	-	(18,852)	(128,406)	(147,258)
Charge for the period	-	-	169,593	1,282,469	59,356	1,511,418
Disposal	-	-	(18,687)	(85,634)	-	(104,321)
Eliminated on revaluation	-	-	(2,094,825)	-	-	(2,094,825)
At 30 June 2013	-	-	43,458	5,284,854	19,090	5,347,402
N.B.V at 30 June 2013	3,381,142	4,377,137	6,539,562	1,151,237	142,934	15,592,012
Cost						
At 01 July 2011	1,553,818	-	3,269,186	5,277,250	96,124	10,196,378
Additions	25,849	1,036,140	150,295	1,178,868	65,900	2,457,052
Reclassification	-	218,110	(218,110)	-	-	-
Disposals	-	-	-	(92,039)	-	(92,039)
At 30 June 2012	1,579,667	1,254,250	3,201,371	6,364,079	162,024	12,561,391
Depreciation						
At 01 July 2012	-	-	1,904,060	3,639,594	66,397	5,610,051
Charge for the period	-	-	83,317	559,316	21,743	664,376
Depreciation on disposal	-	-	-	(92,039)	-	(92,039)
At 30 June 2012	-	-	1,987,377	4,106,871	88,140	6,182,388
N.B.V at 30 June 2012	1,579,667	1,254,250	1,213,994	2,257,208	73,884	6,379,003



The Bank conducted a revaluation of its buildings at 30 June 2013 by independent and certified professional valuers, Tele Developments Limited. The valuation was based on market values defined as the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties each acted knowledgeably, prudently and without compulsion. The properties revealed include the head quarter building, canteen building, the clinic building , investment property building.

The market values for the building headquarters was valued professional and represents market value trends in Kigali. In addition, the land were the head quarter building is located and current status as a landmark location adds to its current and future value.

The market values in the rest of the other properties have been determined using direct comparison of sales of similar or near similar properties and locations or by depreciated replacement cost. A revaluation surplus of Rwf 7,223 million has been recognized in the Asset Revaluation Reserve.

The Bank revalues its land and buildings after every 5 years.

18. INTANGIBLE ASSETS

Cost	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Balance at 1 July	687,984	687,984
Addition	<u>1,280,000</u>	<u>-</u>
	<u>1,967,984</u>	<u>687,984</u>
Depreciation		
Balance at 1 July	687,424	684,862
Prior year amortization adjustment	382,750	-
Depreciation charge for the year	<u>257,810</u>	<u>2,562</u>
At period end	<u>1,327,984</u>	<u>687,424</u>
Carrying Value	<u>640,000</u>	<u>560</u>

19. OTHER ASSETS

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Deferred currency costs	4,080,438	2,551,979
Stock of consumables	282,368	214,180
Receivable from RRA	7,842,941	5,722,453
Advances to contractors	4,617,174	1,739,536
Other debtors	<u>770,952</u>	<u>8,445,666</u>
	<u>17,593,873</u>	<u>18,673,814</u>

20. CURRENCY IN CIRCULATION

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Currency printed and minted	189,170,880	175,447,941
Money in reserve	<u>(51,504,612)</u>	<u>(45,571,377)</u>
Currency in circulation	<u>137,666,268</u>	<u>129,876,564</u>

Money in reserve represents currency printed but not issued into circulation. Cash held at the Bank represents notes and coins held by the Bank's principal cashier. These two elements have been netted off against the liability for notes and coins in circulation because they do not represent currency in circulation. The cash shown at the reporting date relates only to foreign currency cash balances held by the Bank at the end of the year.

Currency in circulation represents

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Opening balance of notes and coins in existence	544,693,655	388,603,655
New bank notes and coins printed and received in the year	30,000,000	156,090,000
Less bank notes destroyed	(153,121,595)	(261,241,595)
Uncirculated Bank notes and coins	(232,401,180)	(108,004,120)
Closing balances	189,170,880	175,447,940
Money in reserve	(51,504,612)	(45,571,377)
Bank notes in circulation liability	137,666,268	129,876,563

21. GOVERNMENT DEPOSITS

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Government account	172,022,202	15,411,863
Government's special deposits	12,041,385	6,621,349
Deposits for letters of credit and other commitments	192,170	704,914
Projects and ministries' accounts	53,938,658	63,918,119
Local Governments	19,455,480	19,399,921
Public institutions	3,693,939	3,900,280
Public service enterprises	8,592,603	5,687,887
Foreign currency accounts	<u>40,031,020</u>	<u>40,869,596</u>
	<u>309,967,457</u>	<u>156,513,929</u>

22. DUE TO LOCAL FINANCIAL INSTITUTIONS

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Local currency deposits	49,125,376	43,882,791
Foreign currency deposits	15,709,629	2,166,504
Money market interventions	90,200,000	122,409,818
Interests payable	<u>119,085</u>	<u>557,060</u>
	<u>155,154,090</u>	<u>169,016,173</u>

The Bank, in fulfilling its principal objectives, engages in issuing and buying Treasury bills for monetary policy purposes. The amount owed to third parties in relation to mop up operations (issue of Treasury bills) is disclosed as money market interventions.



23. DUE TO THE INTERNATIONAL MONETARY FUND

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
International Monetary Fund Deposits	76,785,940	74,263,594
IMF Poverty Reduction and Growth Facility Loan	8,225,384	8,325,332
Special Drawing Rights Allocation	<u>73,631,275</u>	<u>71,212,557</u>
	<u>158,642,599</u>	<u>153,801,483</u>

IMF balances are maintained in special drawing rights (SDR) which are revalued daily with other foreign currency accounts. At the close of the year, they are shown in Rwandan Francs based on the average SDR rate applicable at the reporting date.

24. FOREIGN LIABILITIES

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Deposits in local currency	142,237	196,583
Deposits in foreign currency	8,021,015	7,331,814
Loan from International Financial Corporation	<u>-</u>	<u>-</u>
	<u>8,163,252</u>	<u>7,528,397</u>

25. OTHER LIABILITIES

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Staff deposits	119,545	90,906
Non statutory accounts in Rwandan Francs	1,459,118	1,426,998
Non statutory accounts in foreign currencies	120,208	741,548
Other payables	10,949,501	7,264,845
Provision for contingencies	9,413	107,486
Staff leave payables	1,335,608	425,141
Deferred income	<u>1,020,945</u>	<u>380,945</u>
	<u>15,014,338</u>	<u>10,437,869</u>

26. SHARE CAPITAL

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Authorized and fully paid share capital	<u>7,000,000</u>	<u>7,000,000</u>

Article 2 of Law N° 55/2007 of 30 November 2007 governing the National Bank of Rwanda fixed the share capital of the bank at 7 billion Rwandan Francs. That share capital is entirely subscribed by the Government of Rwanda and the shares do not have a par value.

27. GENERAL RESERVE FUND

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Balance as at 30 June	<u>8,948,506</u>	<u>8,505,380</u>

The general reserve fund is a fund into which at least 20% of the net annual profits of the Bank are transferred at the end of each financial year. This is after allowing for expenses for operation and after allowance has been made for bad and doubtful debts, depreciation of assets, contribution to staff benefit fund, and such other contingencies and provisions as the Bank deems appropriate. The Bank utilises funds accumulated in this account to pay dividends once declared by the Board of Directors, increase paid up capital when necessary and to absorb any negative external shocks. The profits made during the year were recorded on the retained earnings account.

28. OTHER RESERVES

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Retained Earnings	(1,852,033)	26,906
Revaluation reserves	8,636,056	1,412,420
Proposed Dividends (note 29)	-	1,922,850
Staff welfare fund	3,892,202	3,892,202
Fair value reserve	225,411	3,846
IT modernization	700,587	-
Translation reserve	<u>41,289,412</u>	<u>26,058,041</u>
	<u>52,891,635</u>	<u>33,316,265</u>

29. DIVIDENDS

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Proposed Ordinary Dividend	<u>-</u>	<u>1,506,630</u>

The dividend was proposed by the directors after the respective reporting dates. The dividends have not been provided for and there are no income tax consequences.

Whereas dividends amounting to Frw 1,506,630,000 and Frw 416,220 were proposed for the year 2012 and the six months to 30 June 2011 respectively, Frw 82,482,000 was considered payable after offsetting IT modernization costs for the respective periods of 2011 and 2012 in line with the understanding between the Ministry of Finance and Economic Planning and the central bank.

30. CASH FLOW FROM OPERATING ACTIVITIES

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Profit for the year	13,436,208	6,903,747
Adjustment		
Depreciation for property and equipment	1,511,417	662,700
Prior year adjustment on depreciation of property and equipment	(147,256)	-
Amortization of software	257,810	2,562
Prior year adjustment on amortization of software	382,750	-
Depreciation of investment property	15,674	14,883
Revaluation Gain on Investment property	(408,097)	-
Gain on sale of property and equipment	(296,132)	(12,810)
Depreciation recovery on grants (RIPPS)	(640,000)	-
Revaluation loss of IMF quota	(2,521,932)	2,714,472
Unrealized gain on foreign assets	<u>(36,834)</u>	<u>(1,685,627)</u>
	<u>11,553,608</u>	<u>8,599,927</u>
Change in assets		
Increase/(Decrease) in amount due from Government of Rwanda	25,744	33,568,539
Increase/(Decrease) in amount due from banks and other financial institutions	613,225	6,392,791
Increase/(Decrease) in amount due from foreign financial institutions	(1,306,812)	(4,474,025)
Increase/(Decrease) in loan and advances to staff	(728,410)	(771,637)
Increase/(Decrease) in other assets	1,079,941	11,051,517

**Change in liabilities**

Increase/(Decrease) in government deposits	153,453,528	(19,030,348)
Increase/(Decrease) in amount due to local financial institutions	(13,862,083)	44,109,711
Increase/(Decrease) in amount due to IMF	4,841,116	(6,331,584)
Increase/(Decrease) in foreign liabilities	634,855	5,194,501
Increase/(Decrease) in other liabilities	<u>3,296,469</u>	<u>(14,354,235)</u>
Net cash flow from operating activities	<u>159,601,181</u>	<u>63,955,157</u>

31. Cash and cash equivalents

Cash and cash equivalents	16,760,156	5,955,905
Foreign assets	<u>672,743,983</u>	<u>519,179,264</u>
	<u>689,504,139</u>	<u>525,135,169</u>

32. RELATED PARTY TRANSACTIONS

In the course of its operations, the Bank enters into transactions with related parties. Those include the Government of Rwanda as its sole shareholder. Unless otherwise stated, all transactions between these entities take place at arm's length and with reference to market rates.

a. Transactions with Government of Rwanda

Transactions entered into with the Government include:

- Banking services;
- Management of issues and redemption of securities;
- Settlements and remittances in foreign currencies by order and/or in favor of the Government of Rwanda.

The Bank charges a fee of Frw 1,000 per month for maintaining the Government accounts. Further, Government accounts do not generate interest income. However, the Bank earns commissions on all foreign currency transactions carried out on behalf of the Government.

At the reporting date, the following balances which are included in various statements of financial position categories, were outstanding:

Transaction with Government of Rwanda

		30-June-13 (Frw '000')	30-June-12 (Frw '000')
Due from Government of Rwanda	Note 11	38,571,805	38,597,550
Government deposits	Note 21	309,967,457	156,513,929

b. Staff loans

Loans and advance to employees

The Banks extends loans facilities to members of staff including the senior management. As at the reporting date, loans and advances to employees amounted to Rwf 5,891,037 ('000) (June 2012: Rwf 5,007,285 ('000)). The advances are at a preferential interest rate (2%) determined by the Bank.

c. Loans to Directors

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
At 1 July 2012	100,423	98,210
New loans during the period	105,590	23,783
Loans repayments	<u>(24,238)</u>	<u>(21,570)</u>
	<u>181,775</u>	<u>100,423</u>

d. Directors' emoluments

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Fees to non-executive directors	8,214	4,821
Other remuneration to executive directors	<u>121,731</u>	<u>132,775</u>
	<u>129,945</u>	<u>137,596</u>

e. Other related party transaction

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Rental income from RSWITCH	<u>30,595</u>	<u>11,755</u>

33. RISK MANAGEMENT POLICIES

The Bank's risk management policies and practices have been developed and cover all its business activities. They are supported by a very strict management culture and a strong commitment to active risk management by senior management and the departmental directors.

The Bank holds foreign exchange reserves for the purposes of servicing official foreign debt, paying non- government debt and National Bank of Rwanda expenditures abroad, and occasional intervention in the foreign exchange market to smoothen exchange rate movements.

The Bank can only intervene in the foreign exchange market when there are sharp exchange rate movements, which are likely to destabilize the financial market.

In view of the Bank's reserve management policy of safe investment, liquidity, and return, respectively, the Bank, with a prudent approach, subjects its foreign exchange reserves to investments in international markets.

In this framework, almost all the financial risks to which the Bank is exposed arise while fulfilling its duties of managing foreign exchange reserves and rendering certain banking services to the banking sector and the Government of Rwanda. The Bank is exposed to credit, market, and liquidity risks due to the aforementioned operations. The financial risks that arise during the management of foreign exchange reserves are the outcome of an investment choice. Nevertheless, the Bank endeavors to minimize such risks by managing them with a conservative approach.

The bank risk management policies and practices are driven by the following principles, which are applied to the following:

- Board oversight: The investment and operational policies and guide lines have to be approved by the Board of Directors and are subject to review from time to time.
- Review by senior management: All activities, including those involving any risk and management of investment of external reserves, are subject to review and approval by the senior management.
- Diversification: Investment policies and limits are set with a view to ensuring that risks are well diversified.
- Assessment: Policies and processes have been established to ensure that risks are properly assessed.
- Review and reporting: Risk profiles of counter-parties and portfolios are subject to ongoing review and reporting to the senior management and to the Board of Directors.



33. **RISK MANAGEMENT POLICIES** (Continued)

Individual risks, portfolio and operational risks are subject to comprehensive Internal Audit Department review, with independent reporting to senior management.

The following are the main types of risks that the Bank is exposed to in the course of executing its operations:

- Credit risk
- Liquidity risk
- Market risk:
- Interest risk
- Foreign currency exchange risk
- Operational risk

Credit risk

During its financial operations, the Bank is exposed to credit risk, defined as the probability of a complete or partial failure of counterparty to fulfill its obligations arising from a financial transaction. The credit risk basically originates from the investments made of deposit placements, if on their maturity the depository bank is unable to pay.

The management of the credit risk that the Bank is exposed to during the foreign exchange reserve management is based on the principle of minimizing default probabilities of the counter-parties and the financial loss in case of default.

The Bank lends only to the Rwandan Government, the local banks and financial institutions. Credits to banks and other financial institutions are for a very short term and are covered by guaranties. The Bank requires deposits totaling 100 % of the total amounts of letters of credit opened and/or confirmed. It requires guaranties in case of issuing off balance sheet liabilities

1. Credit risk

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Cash and cash equivalents	16,760,156	5,955,905
Foreign assets	672,743,983	519,179,264
International Monetary Fund Quota	76,773,318	74,251,386
Due from Government of Rwanda	38,571,805	38,597,550
Loan and advance to banks	1,305,259	1,918,484
Due from foreign financial institutions	7,260,348	5,953,536
Loan and advance to staff	<u>5,735,695</u>	<u>5,007,285</u>
	<u>819,150,564</u>	<u>650,863,410</u>
Analysis of the staff loans and advances and Government overdraft Individually impaired		
Staff loans	206,147	77,110
Allowance for impairment	<u>(206,147)</u>	<u>(52,482)</u>
	<u>-</u>	<u>24,628</u>
Loans past due but not impaired		
Past due up to 30 days	79,453	1,786
Past due 31-60 days	79,536	2,265
Past due 61-90 days	<u>78,279</u>	<u>975</u>
	237,268	5,026
Loans neither past due nor impaired		
Staff loans and advances	<u>5,498,427</u>	<u>4,977,631</u>
Total	<u>5,735,695</u>	<u>5,007,285</u>

2 Liquidity risk

The table below analyses liabilities into relevant maturity groupings based on the remaining period to the contractual maturity date

Liquidity risk is defined as having difficulty in finding sufficient cash to meet the commitments that are due or being compelled to convert assets into cash at a price lower than their fair value. The choice of the types of instruments to invest the reserves in is part of liquidity risk management.

In order to manage liquidity risk, the Bank invests its surplus reserves in time deposits with maturities concentrated in short-term maturity span of one to three months. The portfolio is structured in such a manner that a mix of deposits matures every week to ensure availability of funds to meet scheduled government and the Bank's obligations.

	On demand	Due within 3 months	Due between 4-12 months	Due between 1-5 years	Due after 5 years	Total
ASSETS						
Cash and cash equivalents	16,760,156	-	-	-	-	16,760,156
Foreign assets	-	-	-	-	672,743,983	672,743,983
International Monetary Fund Quota	-	76,773,318	-	-	-	76,773,318
Due from Government of Rwanda	-	-	-	-	38,571,805	38,571,805
Loan and advance to banks	1,305,259	-	-	-	-	1,305,259
Due from foreign financial institutions	-	7,260,348	-	-	-	7,260,348
Loan and advance to staff	-	-	-	-	5,735,695	5,735,695
Other investment	6,164	-	-	-	-	6,164
Other assets	-	17,593,873	-	-	-	17,593,873
	18,071,579	101,627,539	-	-	717,051,483	836,750,601
LIABILITIES						
Currency in circulation	(137,666,268)	-	-	-	-	(137,666,268)
Government deposits	(309,775,287)	(192,170)	-	-	-	(309,967,457)
Due to local financial institutions	(64,835,006)	(90,200,000)	(119,084)	-	-	(155,154,090)
Due to International Monetary Fund	-	-	-	(8,225,384)	(150,417,215)	(158,642,599)
Foreign liabilities	(8,163,252)	-	-	-	-	(8,163,252)
Other liabilities	(10,909,283)	(3,084,110)	-	(1,020,945)	-	(15,014,338)
	(531,349,096)	(93,476,280)	(119,084)	(9,246,329)	(150,417,215)	(784,608,004)
Liquidity Gap	(513,277,517)	8,151,259	(119,084)	(9,246,329)	566,634,268	52,142,597

3 Foreign currency exchange rate risk

Foreign currency to which the bank was exposed at 30 June 2013 is summarized below all expressed in thousands of Rwandan Francs.

Foreign currency exchange rate risk signifies the probability of incurring a loss stemming from adverse market movements, usually in interest rates, currency exchange rates, and asset prices

The Bank has put in place a foreign reserve management committee. Generally, the Bank manages risks through prudent management of its assets and liabilities by ensuring long foreign exchange positions especially for the United States of America dollars (US\$) for which the exchange rate is relatively stable in comparison to other foreign currencies and hence limiting exchange positions for other currencies.



33. RISK MANAGEMENT POLICIES (Continued)

The Bank's assets are maintained in US\$ given that most transactions with correspondent banks are carried out in this currency. The Bank manages country exchange reserves and places deposits in AAA sovereign assets and supranational organizations.

Structurally, the Bank's exchange positions by currency are long except for transferable positions in Special Drawing Right and in Rwandan Francs that are short. Thus, when exchange rates vary upward, the Bank makes a gain. On the other hand, if there is variation of exchange rates downward, the Bank makes a loss.

	USD	EURO	GBP	SDR	Others	Total
Foreign assets	587,299,411	5,661,729	151,313	78,999,839	631,691	672,743,983
International Monetary Fund Quota	-	-	-	76,773,318	-	76,773,318
Cash balance	<u>15,695,519</u>	<u>761,642</u>	<u>280,444</u>	-	<u>22,551</u>	<u>16,760,156</u>
Total assets	<u>602,994,930</u>	<u>6,423,371</u>	<u>431,757</u>	<u>155,773,157</u>	<u>654,242</u>	<u>766,277,457</u>
Liabilities						
Government deposits	28,671,855	12,582,348	465,799	-	16,802	41,736,804
Due to local financial institutions	14,229,776	1,479,853	-	-	-	15,709,629
Due to International Monetary Fund	-	-	-	158,642,599	-	158,642,599
Foreign liabilities	<u>8,030,324</u>	<u>(9,309)</u>	-	<u>110</u>	<u>142,237</u>	<u>8,163,362</u>
Total liabilities	<u>50,931,955</u>	<u>14,052,892</u>	<u>465,799</u>	<u>158,642,709</u>	<u>159,039</u>	<u>224,252,394</u>
Net exposure as at June 2013	<u>552,062,975</u>	<u>(7,629,521)</u>	<u>(34,042)</u>	<u>(2,869,552)</u>	<u>495,203</u>	<u>542,025,063</u>
Total assets as at June 2012	427,616,384	8,280,509	401,661	151,022,039	12,065,962	599,386,555
Total liabilities as at June 2012	<u>38,112,764</u>	<u>12,228,121</u>	<u>7,128</u>	<u>153,801,589</u>	<u>282,710,380</u>	<u>486,859,982</u>
Net exposure at 30 June 2012	<u>389,503,620</u>	<u>(3,947,612)</u>	<u>394,533</u>	<u>(2,779,550)</u>	<u>(270,644,418)</u>	<u>112,526,573</u>

Sensitivity analysis on currency risk

Currency risk is the risk of loss resulting from changes in exchange rates. The Bank has assets and liabilities in various currencies; however, the most significant exposure arises from assets denominated in the US dollar, GBP and Euro currencies. The following table demonstrates the sensitivity to reasonably possible change in the Frw/ US dollar exchange rate, with all other variables held constant, of the Bank's profit earned.

The following significant exchange rates applied during the year:

Currency	Closing rate 30-June-13	Closing rate 30-June-12	Average rate 30-June-13	Average rate 30-June-12
USD	642.67	612.43	626.52	601.67
EURO	836.88	761.06	810.51	805.42
GBP	982.26	951.89	982.66	952.76

A 5% percent strengthening of the Rwanda Francs against the following currencies would have increased/(decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2012:

Currency	30 June 2013 Frw '000	30 June 2012 Frw '000
USD	(27,488,448)	(19,715,907)
EURO	382,914	244,948
GBP	1,666	(30,912)

4 Interest rate risk

This table shows the extent to which the Bank's interest rate exposure on assets and liabilities are matched. Items are allocated to the time bands by reference to the earlier of the next contractual interest rate reprising date and maturity date.

Interest rates risk on currencies lies in the fact that, on one hand interest rates on short-term placements (generally for 1 to 3 months) can diminish and create a loss and on the other hand, interest on liabilities can increase.

The existing legal provisions cover the Bank against all risks relating to interest rates. Article 50 of the Bank's charter provides that "credit balances in the accounts opened at the National Bank do not generate interest". However, Article 49 of the Bank's charter provides that the Bank shall levy on debit balances interest computed at the daily average of inter-bank interest rate.

When commercial banks have excess liquidity, the Bank continues its market intervention policy of short-term interest earning deposits (mop up deposits) to encourage the commercial banks to invest/ deposit the excess funds at the Bank. This is aimed at bringing monetary stability in the economy. This table shows the extent to which the Bank's interest rate exposures on assets and liabilities are matched. Items are allocated to time bands by reference to the earlier of the next contractual interest rate reprising date and maturity date.

Interest rate risk	3 months or less	3-12 months	Over one year	Non-interest bearing	Total
Cash and cash equivalents		-	-	16,760,156	16,760,156
Foreign assets	593,744,144	-	78,999,839	-	672,743,983
International Monetary Fund Quota	-	-	-	76,773,318	76,773,318
Due from Government of Rwanda	-	-	38,572,806	-	38,572,806
Loan and advance to banks	172,365	471,829	661,065	-	1,305,259
Due from foreign financial institutions	-	-	7,260,348	-	7,260,348
Loan and advance to staff	100,268	300,804	5,489,966	-	5,891,038
Other assets	-	-	-	17,593,873	17,593,873
Total assets	594,016,777	772,633	130,984,024	111,127,347	836,900,781
Currency in circulation	-	-	-	137,666,268	137,666,268
Government deposits	-	-	-	309,967,457	309,967,457
Due to local financial institutions	-	-	-	155,154,091	155,154,091
Due to International Monetary Fund	-	-	81,856,659	76,785,940	158,642,599
Foreign liabilities	-	-	-	8,163,252	8,163,252
Other liabilities	15,014,338	-	-	-	15,014,338
Total liabilities	15,014,338	-	81,856,659	687,737,008	784,608,005
Interest sensitivity gap at 30 June 2013	579,002,439	772,633	49,127,365	-	52,136,432
Interest sensitivity gap at 30 June 2012	427,906,819	-	41,783,851	-	211,981,611

33. RISK MANAGEMENT POLICIES (Continued)

Sensitivity analysis on interest rate risk

Interest rate risk is the risk of loss resulting from changes in interest rates, including changes in the shape of yield curves. The Bank bases its analysis on the interest sensitivity gap above. The existing legal provisions shield the bank from interest rate sensitivities. Article 50 of the bank's charter provides that credit balances in the accounts opened in the National Bank do not generate interest.

However article 49 provides that the bank shall levy on debit balances interest computed on daily average of the interbank rate.

Operational risk

Operational risk is the risk of loss due to human or system errors, incompatibility or failure of internal business processes, or external events. The Bank seeks to minimize losses from operational risk by establishing effective internal control systems, which prevent or detect all errors and situations, which might cause loss through failure of people or processes in such a way that losses are avoided or reduced to the minimum possible extent. The Bank has assigned the responsibility for managing operational risks to the management of the departments.

Human Resource risk

The particular nature of the activities of the Bank necessitates specialized knowledge in many areas. The Bank ensures that there is an adequate knowledge base for all specialized job requirements by investing significantly in human resource development in terms of capacity building and practical exposure. The Bank also organizes workshops, seminars, conferences and job attachments to its staff as an effort to improve its human resource requirements.

Legal risk

Legal risks arise from any uncertainty of enforceability, whether through legal or judicial processes, of the obligations of the Bank's clients and counter parties. These are the risks that the Bank may not be complying fully with the relevant laws and legislations. The Bank aims at minimizing such uncertainties through continuous consultations with all relevant parties.

In mitigating these types of the risks, the Bank ensures that all business agreements are subjected to extensive legal reviews before contracting.

Reputation risk

The concern about reputation flows from the fact that the Bank is a public institution with important responsibilities for stability in the value of money, the soundness and efficiency of the financial system and the issue of currency (notes and coins). All of these matters have direct impact on all citizens and the credibility and the reputation of the Bank is an important factor in the successful fulfillment of these responsibilities.

In managing this risk, the Bank adheres to the best practices and applies principles of sound corporate governance. It also ensures that all key staff has a clear understanding of the appropriate processes in respect of the best practice and principles of good corporate governance.

The Bank therefore, sets out policies and guidelines that govern sound functional operations within the Bank. The performance of these policies and guidelines are periodically reported to different levels of the Bank's Management for Control and Compliance Monitoring.

34. FAIR VALUE

In the opinion of the directors, the fair values of the Bank's financial assets and liabilities approximate their respective carrying amounts. Fair values are based on discounted cash flows using a discount rate based on the borrowing rate that directors expect would be available to the Bank at the reporting date.

The table below sets out the carrying amounts of each class of financial assets and liabilities, and their fair values:

As at 30 June 2013	Held for trading	Held to maturity	Loans and receivables	Available for sale	Other amortized cost	Total carrying amount	Fair value
ASSETS							
Cash balance	-	-	16,760,156	-	-	16,760,156	16,760,156
Foreign assets	206,414,780	191,059,074	230,442,768	44,827,361	-	672,743,983	672,743,983
International Monetary Fund Quota	-	-	76,773,318	-	-	76,773,318	76,773,318
Due from Government of Rwanda	-	-	38,572,806	-	-	38,572,806	38,572,806
Loan and advance to banks	-	-	1,305,259	-	-	1,305,259	1,305,259
Due from foreign financial institutions	-	-	7,260,348	-	-	7,260,348	7,260,348
Loan and advance to staff	-	-	5,891,037	-	-	5,891,037	5,891,037
Other assets	-	-	17,593,873	-	-	17,593,873	17,593,873
TOTAL ASSETS	206,414,780	191,059,074	394,599,565	44,827,361	-	836,900,780	836,900,780
LIABILITIES							
Currency in circulation	-	-	-	-	137,666,268	137,666,268	137,666,268
Government deposits	-	-	-	-	309,967,457	309,967,457	309,967,457
Due to local financial institutions	-	-	-	-	155,154,090	155,154,090	155,154,090
Due to International Monetary Fund	-	-	-	-	158,642,599	158,642,599	158,642,599
Foreign liabilities	-	-	-	-	8,163,252	8,163,252	8,163,252
Other liabilities	-	-	-	-	15,014,338	15,014,338	15,014,338
TOTAL LIABILITIES	-	-	-	-	784,567,784	784,567,784	784,567,784
ASSETS							
Cash balance	-	-	5,955,905	-	-	5,955,905	5,955,905
Foreign assets	220,754,426	94,182,425	166,559,510	37,682,903	-	519,179,264	519,179,264
International Monetary Fund Quota	-	-	74,251,386	-	-	74,251,386	74,251,386
Due from Government of Rwanda	-	-	38,597,550	-	-	38,597,550	38,597,550
Loan and advance to banks	-	-	1,918,484	-	-	1,918,484	1,918,484
Due from foreign financial institutions	-	-	5,953,536	-	-	5,953,536	5,953,536
Loan and advance to staff	-	-	5,007,285	-	-	5,007,285	5,007,285
Other assets	-	-	18,673,814	-	-	18,673,814	18,673,814
TOTAL ASSETS	220,754,426	94,182,425	316,917,470	37,682,903	-	669,537,224	669,537,224
LIABILITIES							
Currency in circulation	-	-	-	-	129,876,564	129,876,564	129,876,564
Government deposits	-	-	-	-	156,513,929	156,513,929	156,513,929
Due to local financial institutions	-	-	-	-	169,016,173	169,016,173	169,016,173
Due to International Monetary Fund	-	-	-	-	153,801,483	153,801,483	153,801,483
Foreign liabilities	-	-	-	-	7,528,397	7,528,397	7,528,397
Other liabilities	-	-	-	-	10,437,869	10,437,869	10,437,869
TOTAL LIABILITIES	-	-	-	-	784,608,004	784,608,004	784,608,004

35. Note on foreign assets financial instrument classification

1. Classification

	30-June-13 (Frw '000')	30-June-12 (Frw '000')
Held to maturity (HTM)		
Fixed term deposits (placement)	190,985,036	94,155,935
Accrued interest (USD, GBP & EURO)	<u>74,038</u>	<u>26,490</u>
	191,059,074	94,182,425
Loans and receivables (L&R)		
Special drawing rights (SDR)	78,999,839	76,770,653
Current account	<u>151,442,929</u>	<u>89,788,857</u>
Accrued interest (SDR)		
	230,442,768	166,559,510
Held for trading (HFT)		
Other foreign deposits (CAML & RAMP)	206,440,462	220,754,426
Available for sale (AFS)		
Other foreign assets not classified in HTM, L&R and HFT	<u>44,801,679</u>	<u>37,682,903</u>
Total foreign assets financial instruments	672,743,983	519,179,264

2. Assets classified as available for sale are foreign assets not classified in HTM, L&R and HFT

3. Effective interest rates of financial assets and liabilities ranges

Effective interest rate for the local market is derived from the average of the weekly average key repo lending rate (KRR), while for international market it is the rate quoted from Bloomberg forecasts

	2013 %	2012 %
Assets		
Government consolidated debts	7.15	6.04
Deposits with overseas correspondent banks		
- current account	-	-
- term deposits (USD)	0.25	0.25
- term deposits (GBP)	0.50	0.50
- term deposits (EUR)	0.15	1.00
Call money		
- in USD	0.10	0.10
- in GBP	0.15	0.15
- in SDR	0.05	0.25
- in EUR	0.08	0.10
Loan and advances		
- commercial banks	7.15	6.04
- employees	7.15	6.04

36. COMMITMENTS AND CONTINGENT LIABILITIES

Legal Proceedings

The bank is a party to legal proceedings for alleged breach of contract amounting to Rwf 60 million. Having regard to the legal advice received, and in all circumstances, the directors are of the view that the Bank has a high chance of success against the plaintiffs and none of the cases individually or in aggregate would have a significant impact on the Bank's operations.

Capital Commitments

As at 30 June 2013, the Bank's capital commitments Rwf 4,026 million (2012:Rwf nil).

Letters of Credit

Letters of credit commit the Bank to make payments on behalf of Government to third parties, and reimbursement by the customer is normally immediate. As at 30 June 2013, outstanding letters of credit on behalf of Government. Amounted to Rwf 19.3 million (2012: Rwf 17,684 million).

OTHER OFF BALANCE SHEET ITEMS

As at 30 June 2013, other off balance sheet items amounted to Rwf 499.9 million compared to Rwf: 512 million as of 30 June 2012.

37. SUBSEQUENT EVENT

No subsequent events have taken place that require adjustment to or disclosure to the financial statements.

APPENDICES

MAJOR INDICATORS OF NATIONAL ECONOMY

Appendix 1

Description	2005	2006	2007	2008	2009	2010	2011	FY 11/12	2012	FY 12/13
Current GDP (in FRW billion)	1,439.90	1,716.50	2,044.60	2,576.60	2,985.00	3,279.80	3,828.30	4,080.87	4,363.34	4,605.9
of which : primary sector, in % of GDP	38.4	38.4	35.7	32.4	33.9	32.2	31.9	32.4	33.0	33.2
Secondary sector, in % of GDP	14.1	13.8	13.9	14.8	14.4	15.0	16.3	16.0	15.9	16.4
Tertiary sector, in % of GDP	41.4	42.0	44.6	46.4	45.5	46.7	45.6	45.5	45.0	44.5
Constant GDP (in FRW billion ,2006)	1,571.4	1,716.4	1,847.4	2,053.6	2,181.9	2,339.4	2,540.1	2,631	2,734.2	2,810.1
Growth rate (in %)	9.4	9.2	7.7	11.6	6.2	7.2	8.6	9.1	8.0	6.8
of which : primary sector	6.5	2.8	2.6	6.5	7.7	5.0	4.7	6.2	3.0	3.9
Secondary sector	9.3	11.7	9.1	15.1	1.4	8.4	17.6	12.4	7.2	11.3
Tertiary sector	11.9	13.3	12.2	13.8	6.2	9.0	8.9	11.0	12.2	7.7
Inflation rate	9.1	8.9	9.1	15.4	10.3	2.3	5.7	7.5	6.3	4.6
Current GDP per capita (In USD)	288.7	332.6	391.1	479.2	519.2	540.1	594.8	641.2	643.8	694.9
Growth rate (in %)	19.2	15.2	17.6	22.5	8.3	4.0	10.1	12.4	8.2	8.4
USES OF GDP(constant), in %	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Private Consumption	76.3	80.1	80.4	76.1	81.5	82.2	81.4	81.7	77.6	74.5
Public Consumption	18.1	18.1	17.1	15.7	16.5	17.0	16.6	15.3	17.5	17.2
Gross Domestic Investment	14.8	16.0	18.6	22.1	21.4	21.4	22.1	21.9	23.8	24.1
Resource Balance	-9.9	-14.2	-16.1	-14.0	-19.6	-20.6	-20.1	-18.9	-18.9	-15.8
Balance of current payments (+net transfers), in % of GDP	-2.2	-4.3	-2.2	-5.2	-8.2	-7.0	-7.0	ND	-11.6	-7.6
Gross reserves, in number of months of imports of goods and non factor services(GNFS)	7.6	6.8	7.0	5.1	6.2	6.0	5.8	ND	4.2	5.1
Budget deficit (cash basis), in % of GDP	-0.5	-1.0	-1.3	0.1	-1.3	-2.0	-0.5	ND	ND	-5.6
External debt stock (USD million)	1,496.0	481.7	566.7	665.55	736.6	766.59	985	ND	1,062	1,501.5
External debt Service in % of export earnings	40.4	23.9	7.1	5.6	7.5	6.0	5.1	ND	4.5	6.4

Source: BNR

GROSS DOMESTIC PRODUCT BY BRANCH OF ACTIVITY
(In FRW billion , at current prices)

Appendix 2

DESCRIPTION	2004	2005	2006	2007	2008	2009	2010	2011	FY 11/12	2012	FY 12/13
Agriculture	465	553	660	729	834	1,012	1,058	1,223	1,323	1,438	1,527
Food crop	396	467	546	619	692	858	891	1,041	1,128	1,232	1,310
Export crops	13	18	25	18	24	23	28	29	27	28	33
Livestock	26	27	31	33	42	49	50	56	59	62	63
Forestry	26	35	52	53	68	72	77	84	94	101	105
Fisheries	5	5	6	7	9	10	11	13	15	15	16
Industry	167	202	236	285	382	430	491	625	653	695	754
Mining and Quarrying	8	10	11	21	25	16	22	48	45	39	50
Manufactured goods	84	101	117	125	159	190	218	252	262	259	264
of which: Foodstuffs, beverages and tobacco	53	67	77	80	106	136	152	173	182	187	193.35
Others	30	35	40	44	53	54	65	79	80	71	70.96
Electricity, Gas, and Water	1	3	3	8	5	6	7	8	9	10	11
Construction	74	88	105	132	194	219	244	317	338	387	429
Services	497	596	720	912	1,198	1,365	1,530	1,725	1,858	1,965	2,051
Wholesale and retail trade, Restaurants and hotels	147	187	233	289	415	449	500	564	608	644	664.39
Transport, storage and communication	74	90	117	145	197	223	257	288	316	344	355
Finance, Insurance, Real Estate, Business services	131	146	162	231	301	351	373	415	437	467	470
Public Administration	68	75	87	97	112	128	151	181	201	213	223
Education	43	59	76	95	108	140	167	210	205	203	243
Health	21	21	23	30	36	44	51	53	55	59	58
Others services	13	18	23	27	30	30	33	34	35	36	37
Less: Bank service charges	-17	-19	-24	-31	-40	-41	-50	-70	-80	-86	-94
Plus: VAT and Other taxes on products	94	108	124	151	204	226	249	306	327	351	368
GROSS DOMESTIC PRODUCT	1,206	1,440	1,716	2,046	2,579	2,992	3,280	3,828	4,081	4,363	4,606

Source: National Institute of Statistics of Rwanda (INSR)



GROSS DOMESTIC PRODUCT BY BRANCH OF ACTIVITY
(In FRW billion , at 2006 constant prices)

Appendix 3

DESCRIPTION	2005	2006	2007	2008	2009	2010	2011	FY 11/12	2012	FY 12/13
Agriculture	642	660	677	721	776	815	853	867	879	901
Food crop	538	546	567	603	659	692	727	741	750	769
Export crops	19	25	18	23	20	22	23	21	21	23
Livestock	30	31	32	33	34	35	36	37	38	38
Forestry	48	52	53	55	56	59	60	62	63	64
Fisheries	6	6	6	6	7	7	7	7	7	7
Industry	211	236	258	297	301	326	383	392	411	436
Mining and Quarrying	13	11	16	13	11	10	15	14	13	15
Manufactured goods	103	117	118	124	128	140	151	152	147	147
of which: Foodstuffs,beverages and tobacco	68	77	75	79	83	89	93	95	96	98
Others	34	40	43	45	45	51	57	58	51	49
Electricity, Gas, and Water	4	3	4	4	4	6	6	7	7	8
Construction	93	105	121	155	157	171	211	218	243	266
Services	636	720	809	929	982	1,065	1,160	1,233	1,301	1,327
Wholesale and Retail trade,Restaurants and Hotels	196	233	262	309	316	342	374	397	418	429
Transport, Storage and Communication	95	117	134	166	181	197	208	227	248	255
Finance, Insurance,Real estate and Business services	153	162	181	202	212	224	237	252	266	264
Public Administration	79	87	92	96	103	118	136	147	152	157
Education	71	76	87	99	110	117	138	142	147	152
Health	21	23	26	29	34	39	40	41	44	43
Others services	19	23	26	27	25	27	27	27	27	28
Less: Bank Service Charges	-21	-24	-29	-31	-30	-35	-46	-51	-54	-58
Plus: VAT and Other taxes on products	114	124	133	149	158	169	191	190	197	203
GROSS DOMESTIC PRODUCT	1,571	1,716	1,849	2,064	2,187	2,339	2,540	2,631	2,734	2,810

Source: National Institute of Statistics of Rwanda (INSR)

USES AND RESOURCES OF GDP
(In FRW billion)

Appendix 4

	USES AND RESOURCES OF GDP (nominal) 2005	USES AND RESOURCES OF GDP (nominal) 2006	USES AND RESOURCES OF GDP (nominal) 2007	2008	2009	2010	2011	FY 11/12	2012	FY 12/13
Gross Domestic Product	1,440	1,716	2,046	2,579	2,992	3,280	3,828	4,081	4,363	4,606
Final Consumption Expenditure	1,411	1,686	1,975	2,400	2,867	3,266	3,740	3,958	4,225	4,351
Public Administration	262	312	338	378	434	524	580	624	665	701
Private (including change of stocks)	1,149	1,374	1,637	2,022	2,433	2,742	3,160	3,334	3,560	3,650
Gross Domestic Investment	227	275	369	585	645	688	818	892	997	1,079
Gross Fixed capital formation	227	275	369	585	645	688	818	892	997	1,079
Construction	166	204	257	382	432	484	631	673	773	859
Equipment (durable goods)	61	71	112	203	213	204	187	219	224	220
Resource Balance	-199	-244	-298	-406	-520	-674	-730	-769	-858	-824
Exports (gnfs)	165	190	224	372	347	330	514	538	575	712
Goods (fob)	67	79	93	142	109	149	255	278	310	428
Non factor Services	97	111	132	230	237	181	259	260	264	284
Imports (gnfs)	363	434	523	778	866	1,003	1,244	1,307	1,433	1,537
goods (fob)	205	250	324	493	572	679	872	913	1,012	1,100
Non factor Services	158	184	199	285	294	325	371	394	421	437

USES AND RESOURCES OF GDP
(In FRW billion at 2006 constant prices)

	USES AND RESOURCES OF GDP (real) 2005	USES AND RESOURCES OF GDP (real) 2006	USES AND RESOURCES OF GDP (real) 2007	2008	2009	2010	2011	FY 11/12	2012	FY 12/13
Gross Domestic Product	1,575	1,716	1,849	2,064	2,187	2,339	2,540	2,631	2,734	2,810
			1,819							
Final Consumption Expenditure	1,487	1,686	1,819	1,928	2,113	2,321	2,489	2,527	2,600	2,577
Public Administration	285	312	333	365	399	397	422	451	478	482
Private (including change of stocks)	1,201	1,374	1,486	1,562	1,714	1,924	2,068	2,076	2,122	2,094
Gross Domestic Investment	234	275	344	455	467	501	561	589	651	677
Gross Fixed capital formation	234	275	344	455	467	501	561	589	651	677
Construction	175	204	236	306	310	338	420	435	487	533
Equipment (durable goods)	59	71	108	149	157	163	141	154	165	145
Resource Balance	-156	-244	-314	-318	-392	-482	-510	-485	-518	-444
Exports (gnfs)	184	190	194	267	240	235	347	392	465	562
Goods (fob)	79	79	74	83	69	108	175	226	301	389
Non factor Services	106	111	121	183	170	127	172	166	165	174
Imports (gnfs)	334	434	509	585	634	717	857	877	983	1,006
goods (fob)	189	250	313	369	418	485	600	613	694	721
Non factor Services	146	184	195	215	215	231	256	265	289	285

Source : National Institute of Statistics of Rwanda

MONTHLY EVOLUTION OF CONSUMER PRICE INDEX
(General index and divisions, index Base 100 : February 2009)

Divisions	Weights	2011-2012												2012-2013											
		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13
01. Food and non-alcoholic beverages	3,538	113.4	113.3	112.8	114.4	115.5	114.9	114.8	118.9	124.1	124.6	126.0	124.8	125.1	127.6	128.2	128.2	126.9	124.0	124.3	124.5	126.5	129.7	129.3	130.3
- Bread and cereals	733	108.6	108.2	108.0	107.7	108.1	108.7	110.3	109.2	111.0	113.2	115.9	116.9	115.6	115.7	115.5	116.3	117.6	118.7	118.6	117.5	116.8	117.0	116.3	115.3
- Meat	274	102.3	105.1	106.7	108.5	110.2	110.5	112.4	112.3	113.1	114.2	115.0	115.1	114.8	115.2	114.9	115.3	115.7	116.4	116.1	115.5	116.1	115.3	116.0	116.8
- Fish	83	126.2	128.6	132.9	134.4	139.4	139.7	135.5	138.2	136.6	138.6	141.3	142.4	139.7	135.1	134.8	136.4	133.3	132.0	131.8	137.6	152.2	157.0	156.8	155.6
- Vegetables	1,200	114.4	113.5	113.2	117.5	121.0	117.2	116.2	129.7	143.3	141.7	142.1	136.2	138.2	145.4	146.0	144.2	138.4	128.2	129.7	132.1	138.3	145.2	144.0	150.9
- Non-alcoholic beverages	160	103.7	104.1	104.4	103.5	100.1	102.0	102.2	112.6	111.3	111.1	110.6	110.5	111.9	114.2	114.5	113.8	113.9	113.1	114.6	115.8	115.9	115.8	115.9	115.9
02. Alcoholic beverages and tobacco	240	113.4	117.1	115.5	115.1	115.1	116.0	116.5	115.4	111.1	114.7	118.9	124.4	119.9	119.9	119.8	120.0	120.1	120.1	119.9	120.2	123.8	123.7	123.7	126.5
03. Clothing and footwear	377	108.2	110.2	110.7	110.6	111.7	111.6	112.1	110.4	111.8	110.8	111.6	112.4	112.3	112.5	112.6	113.3	113.2	113.7	114.5	113.6	113.2	114.2	114.1	114.1
04. Housing, water, electricity, gas and other fuels	2,204	104.4	105.2	108.1	108.8	109.2	108.8	107.4	106.8	109.6	109.8	113.7	110.8	111.0	110.8	110.6	111.5	111.3	110.8	110.8	111.2	111.1	112.4	113.4	111.0
05. Furnishing, household equipment and routine household maintenance	457	99.6	101.2	101.6	102.2	101.9	101.4	102.0	102.9	102.6	102.6	103.4	103.4	104.0	106.0	106.4	106.2	106.3	107.0	106.5	107.2	107.5	107.5	107.6	107.8
06. Health	163	102.9	103.0	103.1	102.6	101.9	101.9	102.4	102.6	103.4	103.3	102.8	103.6	103.8	103.8	104.0	103.9	103.6	103.3	103.4	102.9	102.9	103.7	103.7	104.1
07. Transport	1,189	126.2	127.2	127.3	126.8	126.5	126.6	124.9	123.7	124.1	124.7	125.5	126.0	126.0	125.0	124.9	126.2	126.7	127.2	126.0	126.3	126.9	127.6	127.5	127.1
08. Communication	288	100.8	99.4	93.7	93.3	91.5	91.6	92.2	91.6	93.5	93.3	93.0	93.0	92.8	92.7	92.4	91.8	91.7	91.5	91.9	92.0	91.8	92.0	91.7	91.2
09. Recreation and culture	256	104.4	105.9	106.8	106.5	106.0	106.1	104.1	104.2	104.3	104.0	104.0	104.2	103.5	104.2	104.5	104.5	104.9	105.0	106.3	106.1	105.8	106.7	106.1	105.5
10. Education	331	128.6	128.6	128.6	128.6	128.6	128.6	129.9	129.9	129.9	129.9	129.9	129.9	129.9	129.9	129.9	129.9	129.9	129.9	175.6	175.6	175.6	175.6	175.6	175.6
11. Restaurants and hotels	558	103.3	103.0	104.6	104.2	104.4	105.2	105.5	105.3	105.3	104.9	105.0	105.4	105.1	104.8	105.6	105.5	104.8	104.8	105.5	106.2	106.4	106.3	106.3	109.3
12. Miscellaneous goods and services	400	103.2	103.3	104.1	104.8	103.7	104.2	104.3	105.6	106.1	105.3	105.8	105.8	106.5	106.2	106.7	106.9	107.0	107.5	108.7	109.4	109.8	109.6	110.0	109.2
GENERAL INDEX	10,000.0	110.8	111.3	111.8	112.4	112.8	112.6	112.2	113.3	115.8	116.1	117.8	116.9	117.0	117.8	118.0	118.4	117.9	116.9	118.5	118.8	119.6	121.2	121.3	121.2
Monthly changes		0.4	0.4	0.4	0.6	0.3	-0.2	-0.3	1.0	2.2	0.2	1.4	-0.7	0.1	0.7	0.2	0.3	-0.4	-0.8	1.4	0.2	0.7	1.3	0.0	-0.0
Changes over 12 months		7.1	7.5	6.6	7.8	7.4	8.3	7.8	7.9	8.2	6.9	8.3	5.9	5.6	5.8	5.6	5.4	4.5	3.9	5.7	4.8	3.2	4.4	3.0	3.7

Source : BNR

MONTHLY EVOLUTION OF PRODUCER PRICE INDEX
Fourth quarter 2003 = 100

Appendix 6

BNR

ISIC. Rev.3	Group of Activity	Weights	YEAR 2012-2013											
			Jul.12	Aug.12	Sept.12	Oct.12	Nov.12	Dec.12	Jan.13	Feb.13	Mar.13	Apr.13	May.13	Jun.13
1511-1600	Food Products, Beverages and Tobacco	456	184.8	184.8	184.8	184.8	184.8	184.7	185.4	184.7	185.3	185.4	184.7	189.5
1511-1542	Food Products	129	190.5	190.5	190.5	190.5	190.5	190.5	192.9	190.4	192.5	192.9	190.4	192.5
1511	Production, processing and preserving of meat and meat products	3	221.2	221.2	221.2	221.2	221.2	221.2	221.2	221.2	221.2	221.2	221.2	221.2
1513	Processing and preserving of fruits and vegetables	8	175.2	175.2	175.2	175.2	175.2	175.2	175.2	175.2	175.2	219.8	219.8	219.8
1520	Manufacture of dairy products	32	239.1	239.1	239.1	204.9	204.9	204.9	199.8	200.4	200.4	200.4	200.4	200.4
1531-1533	Manufacture of grain mill and animal feeds products	27	177.1	178.2	177.1	177.1	177.1	177.1	177.1	177.1	177.1	177.1	176.8	176.8
1541	Manufacture of bakery products, pastry, biscuits	13	191.8	191.8	198.7	203.4	203.4	203.4	205.1	205.1	205.1	205.1	205.1	205.1
1542	Manufacture of sugar	45	172.0	176.5	182.2	182.2	182.2	182.2	191.5	184.1	189.9	188.3	192.6	165.2
1552-1600	Beverages and Tobacco	327	182.5	182.5	182.5	182.5	182.5	182.5	182.4	182.4	182.4	182.4	182.4	188.4
1552-1600	Manufacture of beer, soft drinks and tobacco	327	182.5	182.5	182.5	182.5	182.5	182.5	182.4	182.4	182.4	182.4	182.4	188.4
1711-3610	Others than Food, Beverages and Tobacco	544	172.9	172.9	172.9	174.6	174.6	174.6	176.6	176.6	176.6	177.0	177.0	176.6
1711-1920	Manufacture of textiles, wearing apparel, tanning and dressing of leather	47	182.6	182.6	182.6	182.6	182.6	182.6	182.6	182.6	182.6	182.6	182.6	182.6
2029-2221	Manufacture of paper and paper products, publishing of books, newspapers	40	147.1	147.1	147.1	147.1	147.1	147.1	147.1	147.1	147.1	147.1	147.1	147.1
2422-2429	Manufacture of chemical products	172	164.4	164.4	164.4	169.9	170.0	170.0	170.1	170.1	170.3	168.9	168.9	167.7
2511-2520	Manufacture of plastic products, tubes, retreading and rebuilding of rubber tyres	45	135.7	135.7	135.7	135.7	135.7	135.7	158.5	158.5	158.5	156.7	156.7	156.7
2693-2695	Manufacture of ceramic products, cement, lime and articles of concrete	126	208.0	208.0	208.0	208.0	208.0	208.0	208.0	208.0	208.0	210.3	210.3	210.3
2811-2899	Manufacture of fabricated metal products	70	175.6	175.6	175.6	175.6	175.6	175.6	175.6	175.4	175.6	175.6	175.6	175.6
3610	Manufacture of furniture	43	152.7	152.8	152.8	152.8	152.8	152.8	152.8	152.8	152.8	158.0	158.0	158.0
1511 - 3610	PPI for Mainly Local Sold products	1000	178.3	178.3	178.3	179.2	179.3	179.3	180.6	180.3	180.6	180.8	180.5	182.5
	Monthly Change		0.1%	0.0%	0.0%	0.5%	0.0%	-0.0%	0.8%	-0.2%	0.2%	-2.41%	-0.18%	1.10%
	Change over 12 Months		3.5	3.5	2.5	2.8	2.8	2.8	3.8	1.9	2.0	4.1	2.2	2.5
1549	Manufacture of other food products n.c.e	978	306.4	307.4	309.2	319.7	323.2	320.8	319.9	317.4	311.2	300.9	303.7	306.3
1549	Production of tea	585	185.0	184.5	185.6	203.8	208.6	203.8	208.4	204.2	193.8	171.6	176.4	180.8
1549	Production of coffee	392	487.5	490.5	493.7	492.6	494.0	492.6	486.2	486.2	486.2	493.6	493.6	493.6
2421	Manufacture of pesticides and other agro-chemical products	22	510.0	510.5	514.3	520.2	523.1	512.7	323.9	324.9	325.8	503.7	505.9	507.1
2421	Production of pyrethrum	22	510.0	510.5	514.3	520.2	523.1	512.7	323.9	324.9	325.8	503.7	505.9	507.1
1549 - 2421	PPI for Mainly Export Products	1000	310.9	311.9	313.8	324.2	327.6	325.0	320.0	317.5	311.5	305.4	308.2	310.8
	Monthly Change		-4.4%	0.3%	0.6%	3.3%	1.1%	-0.8%	-1.5%	-0.8%	-1.9%	-1.98%	0.9%	0.8%
	Change over 12 Months		10.31	11.09	16.22	0.36	3.87	7.71	3.61	2.81	-0.17	-5.27	0.84	-4.41

Source : BNR





Description	Jan - Dec 2005	Jan - Dec 2006	Jan - Dec 2007	Jan - Dec 2008	Jan - Dec 2009	Jan - Dec 2010	Jan - Dec 2011	Jan - June 2012	July 2012 - June 2013*
TOTAL REVENUES AND GRANTS	344.8	374.7	472.5	660.8	726.8	828.3	982.5	453.8	1,099.7
Total Revenue	180.3	205.6	252.1	381.0	379.4	430.9	541.7	307.6	734.8
Current Revenue	180.3	205.6	252.1	381.0	379.4	430.9	541.7	307.6	734.8
Tax Revenue	162.6	191.1	237.8	328.7	362.8	412.8	505.0	298.4	650.3
Direct Taxes	50.8	65.2	85.8	123.1	136.5	162.0	198.6	128.8	282.4
Income Tax	50.1	64.5	85.8	123.1	136.5	162.0	198.6	128.8	282.4
Property Tax	0.7	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indirect Taxes	111.8	125.8	152.0	205.6	226.4	250.8	306.4	169.6	367.9
Taxes on Goods and Services	82.8	95.5	121.0	161.7	183.7	216.8	265.7	144.5	323.4
Taxes on international trade	29.0	30.3	31.0	43.9	42.7	34.0	40.7	25.2	44.5
Non tax revenues	17.7	14.6	14.3	52.3	16.5	18.1	36.7	9.2	84.5
Capital revenues									
Grants	164.5	169.1	220.4	279.8	347.4	397.4	440.8	146.2	364.9
Current Grants	110.9	73.2	132.4	185.7	233.6	275.9	298.7	54.7	190.0
Capital Grants	53.6	95.9	88.0	94.1	113.8	121.5	142.1	91.5	174.9
TOTAL EXPENDITURE	340.7	383.7	491.4	649.7	751.0	879.4	987.2	613.7	1,348.2
Current expenditure	214.9	255.4	313.2	368.5	424.4	501.0	569.4	316.2	633.9
Wages and Salaries	51.2	62.2	73.8	84.2	97.4	116.4	130.4	76.0	168.9
Civilians	34.7	41.2	52.5	61.0	69.9	85.4	98.9	58.4	
Military	16.5	21.0	21.3	23.2	27.5	30.9	31.5	17.6	
Purchase of goods and services	64.4	80.7	78.0	80.3	104.8	118.7	137.8	82.8	123.1
Civilians	55.8	71.6	67.5	66.9	86.5	105.7	121.3	75.6	
Military	8.6	9.1	10.5	13.4	18.3	13.0	16.5	7.2	
Interests payment on public debt	10.3	7.1	10.9	12.6	11.4	14.7	17.4	8.6	30.7
On domestic debt	4.2	4.2	8.7	8.9	7.3	10.1	12.5	6.0	15.7
On external debt	6.1	2.9	2.2	3.8	4.1	4.6	4.9	2.6	15.0
Transfers & Grants	53.6	71.9	103.6	130.4	162.4	189.5	220.3	106.9	230.8
Exceptional expenditure	35.4	33.5	46.9	60.9	48.4	61.7	63.6	42.0	80.4
Capital Expenditure	121.4	118.7	186.3	267.8	291.9	350.1	441.0	281.1	609.6
Financed by domestic resources	34.7	35.7	63.8	119.2	139.4	192.4	214.6	127.1	239.4
Financed by foreign resources	86.7	83.0	122.5	148.5	152.5	157.7	226.3	154.0	370.2
Net Lending	4.4	9.6	-8.1	13.5	34.7	28.3	-23.2	16.4	104.7
Current Deficit (payment order basis)	-34.6	-49.8	-61.1	12.5	-45.0	-70.1	-27.7	-8.6	100.9
OVERALL DEFICIT (payment order basis)									
Excluding Grants	-160.4	-178.1	-239.3	-268.8	-371.6	-448.5	-445.5	-306.1	-613.4
Including Grants	4.0	-9.0	-18.9	11.0	-24.2	-51.1	-4.7	-159.9	-248.5
Change in arrears	-10.7	-7.5	-8.2	-8.0	-10.6	-13.3	-12.6	-5.8	-9.1
Domestic arrears	-7.0	-7.5	-8.2	-8.0	-10.6	-13.3	-12.6	-5.8	-9.1
Foreign arrears	-3.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DEFICIT/SURPLUS (Cash basis)	-6.7	-16.6	-27.1	3.0	-34.8	-64.4	-17.3	-165.7	-257.6
FINANCING	1.8	23.7	14.4	-3.0	49.0	64.4	17.3	165.7	257.6
External Financing	34.3	34.9	32.1	56.4	34.4	29.1	124.8	20.4	383.7
Net loans	34.3	34.9	32.1	56.4	34.4	29.1	124.8	20.4	383.7
Domestic Financing (excluding Adjustments)	-32.5	-11.2	-17.7	-59.4	8.1	35.3	-107.5	145.3	-126.1
Banks	-32.5	-11.2	-5.4	-43.7	5.1	10.0	-92.1	171.6	-144.3
Non banks	0.0	0.0	-12.3	-15.7	-4.7	-14.0	-19.4	-18.5	24.3
Adjustment-Deposit buildup					6.5		4.0	-7.9	-6.1
Error and omission					7.7	39.3			

* : Provisional
Source: MINECOFIN

BNR's BALANCE SHEET (in FRW million)
ASSETS

BNR

DESCRIPTION	FOREIGN ASSETS				INVEST- MENTS	COVER ITEMS	FOR- EIGN BANKS	TOTAL FOREIGN ASSETS	CLAIMS ON DOMESTIC SECTORS					ASSETS NON CLAS- SIFIED ELSE- WHERE	TOTAL AS- SETS
	CORRE- SPONDENTS	FOREIGN BANK NOTES	SDRS HOLD- INGS	RE- SERVE POSI- TION					CLAIMS ON PUBLIC EN- TERPRISES	CLAIMS ON PRI- VATE SEC- TOR	CLAIMS ON BANKS		CLAIMS ON OTHER FINAN- CIAL INSTITU- TIONS		
December 2009	47,053.58	1,121.89	74,514.92	0.00	301,452.57	0.23	4.46	424,147.65	50,159.89	0.00	5,372.29	8,678.15	881.68	2,471.03	574,382.97
December 2010	51,488.51	1,530.08	76,075.98	0.00	354,355.16	0.02	4.25	483,454.00	57,850.37	0.00	4,752.91	8,000.00	745.61	1,712.82	643,976.63
December 2011	79,415.38	5,839.26	77,054.47	0.00	472,040.88	0.02	0.00	634,350.01	38,728.37	0.00	5,590.33	600.00	597.21	1,839.08	821,814.70
June 2012	98,719.74	5,955.91	76,770.65	0.00	344,881.84	0.02	0.00	526,328.16	38,597.55	0.00	5,489.65	0.00	450.05	1,671.14	717,829.43
June 2013	161,412.82	16,760.16	78,999.84	0.00	429,713.82	0.00	0.00	686,886.64	38,572.81	0.00	6,762.56	273.42	0.00	1,341.11	903,030.54
2009															
January	50,862.9	1,424.21	17,391.86	0.0	253,519.37	0.21	0.00	323,198.57	39,738.59	0.15	4,306.15	3,000.0	1,504.2	1,460.7	457,064.22
February	72,213.0	1,011.84	17,076.21	0.0	215,319.07	0.20	0.00	305,620.30	39,737.44	0.15	4,327.50	0.00	1,037.2	1,448.5	435,141.01
March	64,440.3	522.45	17,311.44	0.0	199,142.79	0.21	0.00	281,417.19	45,238.83	0.00	4,616.61	0.00	891.66	1,424.02	414,650.13
April	82,411.3	1,190.70	17,375.23	0.0	216,575.46	0.21	0.00	317,552.86	39,739.77	0.00	4,937.46	2,000.00	1,114.09	2,599.29	450,084.70
May	32,645.7	561.66	17,778.35	0.0	249,759.54	0.22	4.62	300,750.10	39,363.01	0.00	5,015.92	2,000.00	1,187.89	2,599.29	434,858.85
June	46,273.1	1,153.81	18,002.82	0.0	259,239.56	0.22	4.69	324,674.23	39,363.02	0.00	5,001.89	2,087.00	953.25	2,570.79	460,365.87
July	38,666.5	1,315.39	18,006.23	0.0	275,922.12	0.22	4.36	333,914.85	39,363.02	0.00	5,042.49	2,574.77	878.32	2,558.31	470,830.69
August	44,049.28	866.13	70,887.37	0.00	264,727.36	0.22	4.44	380,534.80	56,028.23	0.00	5,054.50	4,674.77	888.28	2,545.78	537,496.72
September	58,965.17	1,050.05	74,936.49	0.00	277,934.91	0.23	4.51	412,891.36	40,899.39	0.00	5,179.44	5,003.77	871.08	2,533.20	557,598.18
October	47,784.94	504.95	75,392.47	0.00	315,749.11	517.91	4.55	439,953.93	39,366.48	0.00	5,236.04	5,702.57	827.21	2,533.20	588,820.43
November	35,543.86	1,614.70	76,497.01	0.00	321,943.05	526.86	4.63	436,130.11	39,366.48	0.00	5,269.36	7,751.37	676.27	2,496.03	586,206.49
December	47,053.58	1,121.89	74,514.92	0.00	301,452.57	0.23	4.46	424,147.65	50,159.89	0.00	5,372.29	8,678.15	881.68	2,471.03	574,382.97
2010															
January	59,887.93	761.28	74,483.10	0.00	284,618.58	0.23	4.37	419,755.49	39,362.90	0.00	5,340.99	8,189.16	916.26	2,021.03	559,339.77
February	50,682.13	451.75	73,109.39	0.00	275,155.57	1,376.74	4.21	400,779.79	48,792.22	0.00	5,337.16	8,187.92	1,019.04	1,995.92	548,991.77
March	50,996.09	833.23	72,789.11	0.00	262,252.62	0.02	4.21	386,875.28	60,876.27	0.00	5,294.70	11,186.68	841.38	1,945.38	550,726.43
April	36,854.29	1,192.85	72,607.53	0.00	281,450.67	0.02	4.16	392,109.52	61,707.09	0.00	5,411.67	11,685.42	996.92	1,919.97	557,845.98
May	52,774.65	328.87	71,512.86	0.00	265,335.69	0.02	3.92	389,956.01	68,408.94	0.00	5,424.67	8,684.16	2,901.84	1,894.45	562,201.31
June	101,708.17	1,073.61	72,513.93	0.00	285,527.78	0.02	3.91	460,827.42	39,345.70	0.00	5,454.10	10,682.89	2,948.90	1,868.82	607,677.30
July	87,079.86	522.37	74,832.49	0.00	268,226.84	0.02	4.20	430,665.78	44,384.02	0.00	5,498.87	12,682.89	1,020.62	1,868.82	586,139.31
August	70,789.48	1,266.00	74,013.47	0.00	252,059.41	0.02	4.06	398,132.44	67,718.82	0.00	5,623.04	11,682.89	770.84	1,817.25	576,026.42
September	94,495.51	679.78	76,487.53	0.00	286,679.12	0.02	4.37	458,346.33	39,347.02	0.00	5,708.01	11,753.89	835.15	1,791.30	611,944.60
October	29,384.63	1,548.98	77,517.73	0.00	348,118.71	0.02	4.46	456,574.53	39,347.32	0.00	5,711.37	8,003.89	1,128.67	1,791.30	608,309.74
November	21,174.74	1,875.75	75,802.47	0.00	330,269.91	0.02	4.25	429,127.14	61,757.46	0.00	5,754.56	8,000.87	817.36	1,739.09	608,398.13
December	51,488.51	1,530.08	76,075.98	0.00	354,355.16	0.02	4.25	483,454.00	57,850.37	0.00	4,752.91	8,000.00	745.61	1,712.82	643,976.63

Source: BNR





Appendix 8 (2)

BNR's BALANCE SHEET (in FRW million)

ASSETS

DESCRIPTION	FOREIGN ASSETS					TOTAL FOREIGN ASSETS	CLAIMS ON DOMESTIC SECTORS					ASSETS NON CLASSIFIED ELSEWHERE	TOTAL ASSETS		
	CORRESPONDENTS	FOREIGN BANK NOTES	SDRS HOLDINGS	RESERVE POSITION	INVESTMENTS		COVER ITEMS	FOREIGN BANKS	CLAIMS ON GOVERNMENT	CLAIMS ON PUBLIC ENTERPRISES	CLAIMS ON PRIVATE SECTOR			MONEY MARKET	OTHER
December 2009	47,053.58	1,121.89	74,514.92	0.00	301,452.57	0.23	4.46	424,147.65	50,159.89	0.00	5,372.29	8,678.15	881.68	2,471.03	574,382.97
December 2010	51,488.51	1,530.08	76,075.98	0.00	354,355.16	0.02	4.25	483,454.00	57,850.37	0.00	4,752.91	8,000.00	745.61	1,712.82	643,976.63
December 2011	79,415.38	5,839.26	77,054.47	0.00	472,040.88	0.02	0.00	634,350.01	38,728.37	0.00	5,590.33	600.00	597.21	1,839.08	821,814.70
June 2012	98,719.74	5,955.91	76,770.65	0.00	344,881.84	0.02	0.00	526,328.16	38,597.55	0.00	5,489.65	0.00	450.05	1,671.14	717,829.43
June 2013	161,412.82	16,760.16	78,999.84	0.00	429,713.82	0.00	0.00	686,886.64	38,572.81	0.00	6,762.56	273.42	0.00	1,341.11	903,030.54
2011															
January	20,018.71	950.73	78,154.65	0.00	356,995.84	0.02	0.00	456,119.95	44,807.27	0.00	5,116.44	8,000.00	680.17	1,686.45	606,042.34
February	25,501.81	5,347.41	78,303.17	0.00	338,092.12	0.02	0.00	447,244.53	64,287.07	0.00	5,105.61	5,000.00	740.87	1,659.97	647,236.51
March	35,764.38	10,224.93	79,002.51	0.00	299,543.48	0.02	0.00	424,535.32	71,907.09	0.00	5,184.53	5,600.00	652.15	1,633.37	991,905.38
April	43,300.58	14,655.24	81,126.96	0.00	354,769.68	0.02	0.00	493,852.48	39,346.46	0.00	5,176.93	5,100.00	773.01	1,633.37	1,298,283.88
May	46,609.87	15,046.91	79,429.22	0.00	322,779.76	0.02	0.00	463,865.78	55,110.54	0.00	5,232.10	5,100.00	983.87	1,579.86	1,334,098.80
June	55,025.93	6,128.52	80,217.17	0.00	309,548.85	0.02	0.00	450,920.49	72,373.40	0.00	5,310.21	5,100.00	1,276.28	2,002.94	655,732.60
July	106,072.23	5,767.22	80,151.14	0.00	259,831.87	0.02	0.00	451,822.48	38,731.27	0.00	5,285.35	3,500.00	1,046.84	2,002.94	634,674.14
August	42,942.09	7,071.40	80,656.41	0.00	348,925.18	0.02	0.00	479,595.10	38,731.27	0.00	5,383.98	2,400.00	651.51	1,977.00	656,507.13
September	47,469.61	10,956.93	78,552.22	0.00	358,761.95	0.02	0.00	495,740.73	45,546.97	0.00	5,594.05	600.00	802.36	1,921.52	696,096.82
October	48,391.57	12,349.61	80,126.24	0.00	408,908.99	0.02	0.00	549,776.43	38,778.18	0.00	5,612.53	600.00	776.15	1,894.15	774,181.30
November	40,481.16	9,839.05	78,172.98	0.00	393,527.57	0.02	0.00	522,020.78	54,736.74	0.00	5,573.88	600.00	643.25	1,866.67	776,524.69
December	79,415.38	5,839.26	77,054.47	0.00	472,040.88	0.02	0.00	634,350.01	38,728.37	0.00	5,590.33	600.00	597.21	1,839.08	821,814.70
2012															
January	56,846.46	5,316.76	77,997.81	0.00	456,547.04	0.02	0.00	596,708.09	38,728.37	0.00	5,579.55	600.00	388.86	1,811.38	790,488.92
February	52,123.44	4,104.78	78,265.49	0.00	447,009.14	0.02	0.00	581,502.87	38,728.46	0.00	5,562.49	600.00	575.29	1,783.56	780,000.29
March	25,518.97	4,752.96	77,789.83	0.00	437,562.48	0.02	0.00	545,624.26	38,728.21	0.00	5,539.56	0.00	495.47	1,755.63	745,135.43
April	33,139.32	3,707.91	78,159.91	0.00	399,099.18	0.02	0.00	514,106.34	63,317.01	0.00	5,566.66	0.00	391.11	1,727.58	745,178.81
May	35,016.69	5,381.85	76,599.21	0.00	347,423.05	0.02	0.00	464,420.82	89,660.61	0.00	5,511.80	0.00	616.10	1,699.42	724,367.38
June	98,719.74	5,955.91	76,770.65	0.00	344,881.84	0.02	0.00	526,328.16	38,597.55	0.00	5,489.65	0.00	450.05	1,671.14	717,829.43
July	55,162.16	3,295.25	76,768.88	0.00	337,664.22	0.02	0.00	472,890.53	38,597.55	0.00	5,506.84	372.30	0.00	1,642.75	669,835.29
August	38,696.08	7,820.12	77,524.59	0.00	326,638.66	0.00	0.00	450,679.45	54,077.87	0.00	5,670.08	587.43	0.00	1,614.24	662,922.46
September	44,590.63	6,195.13	79,397.39	0.00	318,809.39	0.00	0.00	448,992.54	53,357.90	0.00	5,711.49	529.68	0.00	1,614.24	666,153.50
October	61,726.49	7,856.79	79,799.56	0.00	321,256.45	0.00	0.00	470,639.29	38,597.55	0.00	5,911.10	440.92	0.00	1,558.89	667,615.29
November	56,586.82	5,488.72	79,798.40	0.00	335,075.16	0.00	0.00	476,949.10	38,597.55	0.00	5,862.56	386.05	0.00	1,532.06	683,870.25
December	122,068.10	9,743.07	80,167.18	0.00	323,510.02	0.00	0.00	535,488.37	38,597.55	0.00	5,893.58	332.16	0.00	1,532.06	754,346.52
2013															
January	48,340.37	15,318.33	80,022.70	0.00	321,543.64	0.00	0.00	465,225.04	38,597.55	0.00	6,085.41	562.03	0.00	1,478.07	680,838.19
February	50,747.66	9,745.74	78,969.54	0.00	297,023.87	0.00	0.00	436,486.81	39,264.50	0.00	6,076.13	476.13	0.00	1,450.91	653,320.84
March	54,906.56	12,523.21	78,144.57	0.00	297,994.99	0.00	0.00	443,569.33	38,597.55	0.00	6,151.22	428.68	0.00	1,450.91	665,909.27
April	57,817.62	15,282.63	79,037.84	0.00	299,605.90	0.00	0.00	451,743.99	38,572.81	0.00	6,154.91	393.88	0.00	1,396.24	666,977.84
May	259,627.58	17,262.71	78,497.23	0.00	300,720.38	0.00	0.00	656,107.90	38,572.81	0.00	6,567.12	346.12	0.00	1,368.73	874,048.25
June	161,412.82	16,760.16	78,999.84	0.00	429,713.82	0.00	0.00	686,886.64	38,572.81	0.00	6,762.56	273.42	0.00	1,341.11	903,030.54

Source: BNR

BNR

BNR's BALANCE SHEET
(In FRW million)

LIABILITIES

BNR

Appendix 8 (cont'd)

DESCRIPTION	RESERVE MONEY							OTHER DOMESTIC LIABILITIES				SHARES AND OTHER EQUITY	LIABILITIES NON CLASSIFIED ELSEWHERE	TOTAL LIABILITIES		
	Currency in circulation	Currency held in banks	Currency out of BNR	BANKS' DEPOSITS	PRIVATE SECTOR DEPOSITS	PUBLIC ENTERPRISES DEPOSITS	OTHER FIN. INSTITUTIONS' DEPOSITS	SOCIAL SECURITY FUND	MONETARY BASE	MONEY MARKET BORROWING	OTHER AMOUNTS DUE				GOVERNMENT DEPOSITS	FOREIGN LIABILITIES
December 2009	76,992.37	9,133.52	86,125.9	24,130.56	129.27	1,508.03	548.22	95.21	112,537.2	73,537.80	3,935.73	195,518.30	65,977.33	38,167.07	84,709.55	574,383.0
December 2010	90,478.21	13,662.11	104,140.3	24,681.09	108.77	485.78	619.94	57.20	130,093.1	69,330.58	3,074.72	234,469.48	68,532.58	51,793.57	86,682.58	643,976.6
December 2011	102,754.72	15,169.44	117,924.2	38,192.77	247.85	146.10	1181.79	109.91	157,802.6	96,114.93	2,401.06	301,393.90	70,483.60	54,677.16	138,941.54	821,814.7
June 2012	111,570.98	18,305.58	129,876.6	45,571.38	133.97	175.22	566.25	243.23	176,967.6	122,409.82	2,403.31	155,840.79	74,455.84	61,947.43	123,804.72	717,829.5
June 2013	116,300.90	21,365.37	137,666.3	63,157.22	147.46	242.52	540.7	566.15	202,320.3	90200.00	2,519.95	308,781.14	77,319.53	82,516.24	139,373.31	903,030.5
2009																
January	71,957.63	9,083.14	81,040.8	36,850.46	55.86	2,589.90	376.55	19.79	120,933.3	6,000.00	2,612.20	193,323.72	8,609.34	35,199.42	90,386.18	457,064.2
February	69,029.55	8,419.21	77,448.8	27,862.88	64.42	2,581.04	404.89	20.02	108,382.0	0.00	2,659.91	190,956.84	7,951.03	34,967.27	90,223.93	435,141.0
March	66,251.89	10,565.41	76,817.3	33,034.99	179.09	397.40	949.09	21.07	111,377.9	0.00	3,423.18	168,265.21	8,503.56	35,145.97	87,934.33	414,650.1
April	68,058.86	9,526.57	77,585.4	29,310.60	125.95	687.97	616.64	21.93	108,348.5	8,961.68	3,509.35	192,573.47	10,950.00	35,136.03	90,607.85	450,086.9
May	67,644.97	9,327.73	76,972.7	25,108.55	100.76	390.25	445.18	44.73	103,062.2	16,885.58	3,537.17	172,527.30	11,171.95	34,165.47	93,508.99	434,858.6
June	72,081.89	9,582.77	81,664.7	24,309.06	77.76	699.25	680.37	44.73	107,475.8	33,489.09	3,550.27	170,926.66	11,277.58	34,323.27	99,323.17	460,365.9
July	73,173.17	9,532.63	82,705.8	25,748.12	89.20	869.70	497.92	20.29	109,931.0	32,718.71	3,808.39	183,369.51	10,494.88	34,338.66	96,169.54	470,830.7
August	70,392.91	10,860.28	81,253.2	29,461.90	78.96	1,193.17	492.22	20.29	112,499.7	48,474.02	3,542.88	176,919.72	63,890.98	34,421.86	97,747.53	537,496.7
September	69,433.49	10,675.94	80,109.4	30,200.87	93.53	1,045.02	1121.53	20.38	112,590.8	53,917.74	3,605.73	188,224.36	67,575.46	34,544.61	97,139.30	557,598.0
October	70,456.08	9,910.35	80,366.4	30,059.07	81.84	1,189.86	566.71	20.00	112,283.9	58,330.97	3,904.65	210,969.09	67,841.65	34,622.83	100,867.07	588,820.2
November	70,707.69	10,798.92	81,506.6	28,600.57	65.44	1,515.01	399.76	20.00	112,107.4	62,454.59	3,912.61	201,930.54	68,641.07	34,811.33	102,348.92	586,206.5
December	76,992.37	9,133.52	86,125.9	24,130.56	129.27	1,508.03	548.22	95.21	112,537.2	73,537.80	3,935.73	195,518.30	65,977.33	38,167.07	84,709.55	574,383.0
2010																
January	72,895.24	11,395.27	84,290.5	28,988.17	88.69	1,143.49	408.83	19.79	114,939.5	54,744.66	3,931.48	194,953.24	65,899.88	38,161.59	86,709.43	559,339.8
February	68,526.34	13,143.84	81,670.2	31,652.39	78.04	834.70	555.23	19.79	114,810.3	53,626.46	2,831.75	183,575.29	64,620.41	37,924.42	91,603.11	548,991.8
March	68,389.82	12,814.62	81,204.4	32,761.21	62.39	627.38	627.49	19.79	115,302.7	64,882.02	2,847.39	173,049.17	64,203.05	37,869.34	92,572.76	550,726.4
April	72,471.68	10,887.77	83,359.5	34,553.63	70.46	399.18	431.1	14.71	118,828.5	57,186.84	3,220.42	186,702.57	64,023.64	37,858.16	90,025.86	557,846.0
May	75,001.26	12,880.49	87,881.8	30,908.28	61.46	569.77	419.5	21.00	119,861.8	53,201.15	2,894.31	192,591.52	63,369.33	37,612.25	92,671.05	562,201.4
June	83,466.27	10,569.59	94,035.9	24,225.16	64.26	865.35	444.59	23.37	119,658.6	85,314.18	2,464.13	186,548.99	64,377.28	37,783.97	111,530.16	607,677.3
July	84,257.64	13,484.55	97,742.2	30,519.21	56.51	1,182.55	468.00	20.01	129,988.5	59,898.00	2,485.35	185,365.54	66,077.92	38,179.01	104,145.06	586,139.4
August	81,101.21	14,485.46	95,586.7	31,427.05	51.39	1,724.36	431.52	20.27	129,241.3	62,742.71	2,960.72	171,917.02	68,719.95	38,037.51	102,407.26	576,026.4
September	81,772.89	12,284.16	94,057.1	29,281.89	51.49	1,744.58	438.46	21.52	125,595.0	69,446.02	2,542.21	200,965.42	67,812.54	38,462.67	107,120.79	611,944.6
October	81,489.38	13,391.52	94,880.9	29,688.80	54.22	1,959.99	428.01	20.00	127,031.9	73,862.87	2,578.94	186,681.84	68,425.99	38,639.63	111,088.60	608,309.8
November	80,877.99	16,279.94	97,157.9	32,159.95	66.97	197.51	489.35	20.00	130,091.7	70,169.36	2,584.56	186,416.50	68,456.28	38,351.82	112,327.92	608,398.2
December	90,478.21	13,662.11	104,140.3	24,681.09	108.77	485.78	619.94	57.20	130,093.1	69,330.58	3,074.72	234,469.48	68,532.58	51,793.57	86,682.58	643,976.6

Source: BNR





LIABILITIES

DESCRIPTION	CURRENCY			RESERVE MONEY				OTHER DOMESTIC LIABILITIES						SHARES AND OTHER EQUITY	LIABILITIES NON CLASSIFIED ELSEWHERE	TOTAL LIABILITIES
	Currency in circulation	Currency held in banks	Currency out of BNR	BANKS' DEPOSITS	PRIVATE SECTOR DEPOSITS	PUBLIC ENTERPRISES DEPOSITS	OTHER FIN. INSTITUTIONS' DEPOSITS	SOCIAL SECURITY FUND	MONETARY BASE	MONEY MARKET BORROWING	OTHER AMOUNTS DUE	GOVERNMENT DEPOSITS	FOREIGN LIABILITIES			
December 2009	76,992.37	9,133.52	86,125.9	24,130.56	129.27	1,508.03	548.22	95.21	112,537.2	73,537.80	3,935.73	195,518.30	65,977.33	38,167.07	84,709.55	574,383.0
December 2010	90,478.21	13,662.11	104,140.3	24,681.09	108.77	485.78	619.94	57.20	130,093.1	69,330.58	3,074.72	234,469.48	68,532.58	51,793.57	86,682.58	643,976.6
December 2011	102,754.72	15,169.44	117,924.2	38,192.77	247.85	146.10	1181.79	109.91	157,802.6	96,114.93	2,401.06	301,393.90	70,483.60	54,677.16	138,941.54	821,814.7
June 2012	111,570.98	18,305.58	129,876.6	45,571.38	133.97	175.22	566.25	243.23	176,967.6	122,409.82	2,403.31	155,840.79	74,455.84	61,947.43	123,804.72	717,829.5
June 2013	116,300.90	21,365.37	137,666.3	63,157.22	147.46	242.52	540.7	566.15	202,320.3	90200.00	2,519.95	308,781.14	77,319.53	82,516.24	139,373.31	903,030.5
2011																
January	83,719.15	17,076.20	100,795.4	29,299.17	152.74	11.21	488.74	20.00	130,747.2	39,186.12	2,131.01	215,969.62	70,508.71	52,151.07	95,348.63	606,042.4
February	82,676.79	16,120.56	98,797.4	30,629.54	103.59	14.03	517.64	62.5	130,124.7	42,748.0	2,111.56	230,182.35	70,424.07	52,175.64	119,470.20	647,236.5
March	83,946.22	14,128.00	98,074.2	31,583.14	110.88	16.33	511.91	11.28	130,307.8	48,059.1	2,098.02	205,079.81	70,979.48	52,295.91	483,085.32	991,905.4
April	89,607.17	15,164.84	104,772.0	29,892.57	94.00	38.83	584.55	342.26	135,704.2	60,589.8	2,127.86	229,888.72	72,887.27	52,661.25	744,424.76	1,298,283.9
May	89,715.83	18,101.15	107,817.0	16,187.56	79.00	134.51	1059.05	802.31	126,079.4	92,330.2	2,122.13	184,658.23	71,844.14	52,368.26	804,696.48	1,334,098.8
June	101,533.51	13,517.74	115,051.3	28,600.78	185.00	33.80	486.97	22.58	144,380.4	88,730.2	2,316.35	175,518.17	73,388.84	55,171.70	116,228.99	655,732.6
July	100,857.38	15,561.56	116,418.9	37,925.28	78.6	41.39	602.31	604.34	155,670.9	81,230.2	2,379.40	161,767.41	72,096.09	55,160.33	123,819.90	634,674.2
August	95,284.08	18,651.42	113,935.5	34,543.93	77.5	90.81	610.72	90.93	149,349.4	81,643.1	2,427.90	173,637.93	72,956.58	55,245.71	121,659.44	656,507.1
September	93,429.16	16,803.31	110,232.5	38,743.27	198.66	202.56	843.4	271.78	150,492.1	81,643.1	2,484.66	194,333.71	71,625.81	54,911.69	140,605.66	696,096.8
October	92,829.35	17,113.21	109,942.6	35,692.89	218.87	129.37	821.25	484.79	147,269.7	74,284.2	2,340.28	258,132.45	72,846.92	55,192.35	164,115.37	774,181.3
November	91,337.66	17,683.24	109,020.9	40,541.19	178.5	239.82	1122.72	263.98	151,367.1	83,728.9	2,349.31	238,457.20	70,911.71	54,842.64	174,867.75	776,524.6
December	102,754.72	15,169.44	117,924.2	38,192.77	247.85	146.10	1181.79	109.91	157,802.6	96,114.9	2,401.06	301,393.90	70,483.60	54,677.16	138,941.54	821,814.7
2012																
January	96,303.48	16,580.56	112,884.0	48,303.08	156.32	145.01	666.36	244.31	162,399.1	88,849.33	2,408.19	277,740.84	71,384.94	54,840.14	132,866.40	790,489.0
February	96,635.63	18,134.57	114,770.2	45,712.16	189.95	146.50	737.33	475.98	162,032.1	120,266.51	2,411.63	227,799.33	74,690.95	54,879.47	137,920.30	780,000.3
March	99,252.81	16,310.82	115,563.6	28,278.74	144.45	141.15	757.07	20.00	144,905.0	138,894.46	2,413.15	191,168.35	75,665.44	54,806.54	137,282.42	745,135.4
April	105,133.57	19,299.21	124,432.8	44,825.22	143.53	119.00	1533.32	578.15	171,632.0	110,920.27	2,397.71	187,170.78	75,630.13	54,881.31	142,546.66	745,178.9
May	103,355.30	20,102.67	123,458.0	43,213.23	162.33	193.45	534.72	325.09	167,886.8	120,608.72	2,384.34	162,511.73	74,221.34	54,609.61	142,144.81	724,367.3
June	111,570.98	18,305.58	129,876.6	45,729.11	133.97	175.22	566.25	243.23	176,724.3	122,409.82	2,403.31	156,084.02	74,455.84	61,947.43	123,804.72	717,829.5
July	108,639.53	21,598.84	130,238.4	48,370.90	174.12	172.77	602.63	284.02	179,842.8	51,248.39	2,372.23	174,937.59	74,765.46	61,943.78	124,725.07	669,835.3
August	106,708.52	21,944.65	128,653.2	49,044.20	120.67	103.39	545.47	207.78	178,674.7	49,487.44	2,317.25	171,597.32	75,199.37	62,074.74	123,571.68	662,922.5
September	102,234.32	20,577.78	122,812.1	49,792.07	123.05	225.85	1231.89	255.35	174,440.3	37,806.15	2,345.45	175,788.36	76,756.69	62,427.47	136,589.11	666,153.5
October	99,315.13	22,234.37	121,549.5	54,717.85	100.82	68.26	516.82	289.00	177,242.3	37,565.50	2,375.44	175,595.33	76,966.43	62,497.32	135,373.06	667,615.3
November	100,226.33	21,183.74	121,410.1	53,579.32	118.72	108.90	691.06	584.23	176,472.3	43,356.99	2,427.49	180,756.08	78,506.06	62,496.92	139,854.45	683,870.3
December	107,012.13	22,255.00	129,267.1	58,221.63	136.22	32.18	1705.83	30.40	189,393.4	58,807.02	2,428.25	206,229.47	78,401.85	62,560.96	156,525.56	754,346.5
2013																
January	102,160.36	20,841.92	123,002.3	60,259.81	126.00	71.48	689.06	239.10	184,387.7	20,000.00	2,431.72	184,101.75	78,803.40	62,535.87	148,577.75	680,838.2
February	100,488.04	22,727.32	123,215.4	58,557.64	123.22	38.96	602.12	489.15	183,026.5	27,500.00	2,443.78	150,604.93	78,594.30	62,352.99	148,798.36	663,320.8
March	105,630.35	20,195.93	125,826.3	64,251.34	126.07	109.42	954.2	725.87	191,993.2	17,100.00	2,438.34	160,202.29	76,863.00	62,209.73	155,102.73	665,909.27
April	105,673.17	22,711.64	128,384.8	58,009.42	132.24	177.20	863.56	673.33	188,240.6	25,400.00	2,487.66	162,985.33	77,851.68	60,442.00	149,570.66	666,977.9
May	107,578.17	22,355.70	129,933.9	61,266.64	105.92	47.03	477.54	417.8	192,248.8	54,000.00	2,501.48	334,915.33	76,920.64	60,357.28	153,104.72	874,048.3
June	116,300.90	21,365.37	137,666.3	63,157.22	147.46	242.52	540.7	566.15	202,320.3	90200.00	2,519.95	308,781.14	77,319.53	82,516.24	139,373.31	903,030.5

Source: BNR

BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS (In FRW million)
(BK, BCR, FINA BANK, ECOBANK, ACCESS BANK, COGEBANQUE, BHR, UOB, BPR, KCB RWANDA, CCP, UNGUKA, AGASEKE, CSS AND EQUITY BANK)*

Appendix 9

ASSETS

DESCRIPTION	CLAIMS ON BNR				FOREIGN ASSETS	CLAIMS ON BANKS	CLAIMS ON GOVERNMENT**	CREDIT TO ECONOMY				ASSETS NON CLASSIFIED ELSEWHERE	TOTAL ASSETS	
	Reserves		Total Reserves	Other Claims				Total claims	CLAIMS ON PUBLIC ENTREPRISES	CLAIMS ON PRIVATE SECTOR	CLAIMS ON OTHER FINANCIAL INSTITUTIONS			TOTAL CLAIMS ON THE ECONOMY
	Deposits	Cash in vault												
December 2009	25,397.6	9,486.0	34,883.6	73,220.9	108,104.5	107,466.2	17,922.6	28,010.4	3,021.4	341,579.2	8,022.8	352,623.3	80,207.0	694,333.9
December 2010	24,560.6	13,662.1	38,222.7	68,734.5	106,957.2	146,776.8	23,532.4	78,834.2	3,213.6	388,483.0	2,094.6	393,791.2	110,054.4	859,946.2
December 2011	43,458.3	15,154.6	58,612.9	96,677.3	155,290.2	157,348.8	11,428.6	80,088.6	2,800.1	498,837.9	3,482.1	505,120.1	142,638.0	1,051,914.3
June 2012	46,186.1	18,287.8	64,473.9	121,951.5	186,425.4	109,488.1	15,454.9	103,927.7	2,576.5	593,801.6	5,092.5	601,470.4	148,699.4	1,165,466.0
June 2013	54,519.2	21,365.4	75,884.6	90,229.2	166,113.8	146,120.7	20,481.3	111,746.6	998.1	703,675.1	5,228.8	709,902.0	171,700.9	1,326,065.4
2009														
January	34,925.5	9,083.1	44,008.7	6,270.9	50,279.5	86,537.8	12,343.1	23,407.4	3,093.8	324,193.7	3,582.2	330,869.7	69,016.5	572,453.9
February	27,702.1	8,419.2	36,121.4	249.9	36,371.3	93,544.4	17,021.7	23,020.1	3,025.1	327,222.2	2,685.6	332,932.9	64,926.5	567,816.8
March	34,792.3	10,565.4	45,357.7	1,169.9	46,527.7	97,207.9	13,615.4	20,499.5	3,303.3	324,041.2	5,882.8	333,227.3	69,561.4	580,639.2
April	32,812.1	9,526.6	42,338.6	8,850.7	51,189.3	96,412.7	12,824.6	22,714.0	3,036.4	324,530.5	5,165.8	332,732.6	70,284.9	586,158.3
May	26,503.6	9,327.7	35,831.4	15,537.4	51,368.8	99,824.0	14,673.2	22,724.2	2,816.2	322,762.0	6,351.4	331,929.6	73,384.0	593,903.8
June	25,183.0	9,582.8	34,765.7	38,709.3	73,475.0	99,689.7	10,230.1	22,464.8	1,944.4	315,963.4	3,176.5	321,084.3	75,624.2	602,568.1
July	27,518.6	9,532.6	37,051.3	32,945.9	69,997.2	117,718.4	11,059.5	23,316.3	1,947.1	317,570.0	2,847.6	322,364.7	71,047.6	615,503.7
August	36,209.2	10,860.3	47,069.4	46,321.4	93,390.9	107,590.0	7,381.9	23,478.7	1,801.8	314,744.5	2,792.6	319,339.0	73,649.3	624,829.8
September	33,016.1	10,675.9	43,692.1	47,861.5	91,553.6	101,280.5	10,052.0	25,813.0	2,011.6	307,424.1	7,658.5	317,094.2	74,355.0	620,148.2
October	31,257.1	9,908.7	41,165.8	56,081.9	97,247.7	102,793.6	7,903.0	25,473.2	1,887.4	307,820.2	5,518.9	315,226.5	75,609.1	624,253.0
November	30,036.2	10,827.3	40,863.5	59,246.9	100,110.4	106,470.6	4,976.1	25,672.5	2,801.9	317,761.8	6,646.6	327,210.4	73,945.7	638,385.6
December	25,397.6	9,486.0	34,883.6	73,220.9	108,104.5	107,466.2	17,922.6	28,010.4	3,021.4	341,579.2	8,022.8	352,623.3	80,207.0	694,333.9
2010														
January	29,636.5	11,395.3	41,031.8	54,068.1	95,099.8	105,375.8	20,085.9	25,521.8	2,791.2	352,332.5	5,183.0	360,306.7	80,909.2	687,299.2
February	31,820.2	13,143.8	44,964.1	50,856.9	95,821.0	112,201.4	25,385.5	26,251.9	2,809.5	351,364.3	768.5	354,942.3	81,324.8	695,926.8
March	32,356.4	12,814.6	45,171.0	62,852.8	108,023.9	107,777.8	20,788.4	25,532.7	2,785.8	357,465.1	762.0	361,012.9	88,279.8	711,415.5
April	35,396.2	10,887.8	46,284.0	55,664.5	101,948.5	99,363.9	19,586.6	35,228.5	2,902.9	363,213.8	966.0	367,082.7	84,937.1	708,147.3
May	28,279.0	12,880.5	41,159.5	57,217.7	98,377.2	94,973.4	18,699.6	49,178.0	2,813.8	362,643.3	1,328.1	366,785.1	85,387.8	713,401.2
June	23,067.0	10,569.6	33,636.6	85,987.3	119,623.9	98,937.0	26,267.9	49,516.6	2,912.2	365,922.7	764.4	369,599.3	90,430.7	754,375.4
July	30,915.6	13,516.1	44,431.7	61,569.7	106,001.4	118,004.0	29,006.9	46,751.8	3,142.5	368,219.7	952.4	372,314.6	87,670.0	759,748.8
August	35,916.7	14,485.5	50,402.1	65,212.8	115,614.9	117,072.2	21,348.0	46,588.8	2,999.1	370,344.9	764.6	374,108.6	87,982.8	762,715.4
September	28,414.1	12,982.7	41,396.8	77,546.5	118,943.3	114,132.5	26,068.9	48,136.1	2,807.7	369,687.1	764.4	373,259.2	92,633.1	773,173.1
October	28,279.0	13,391.5	41,670.5	82,795.3	124,465.8	118,844.4	21,811.0	39,169.5	2,934.2	375,150.7	764.4	378,849.4	96,082.3	779,222.3
November	34,231.8	16,279.9	50,511.7	65,894.3	116,406.0	115,431.6	20,061.7	59,746.9	2,925.0	383,252.0	1,959.1	388,136.1	99,145.1	798,927.4
December	24,560.6	13,662.1	38,222.7	68,734.5	106,957.2	146,776.8	23,532.4	78,834.2	3,213.6	388,483.0	2,094.6	393,791.2	110,054.4	859,946.2

Source: BNR



BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS (in FRW million)
(BK, BCR, FINA BANK, ECOBANK, ACCESS BANK, COGEBANQUE, BHR, UOB, BPR, KCB RWANDA, CCP, UNGUKA, AGASEKE, CSS AND EQUITY BANK)*

ASSETS DESCRIPTION	CLAIMS ON BNR					FOREIGN ASSETS	CLAIMS ON BANKS	CLAIMS ON GOVERNMENT**	CREDIT TO ECONOMY				ASSETS NON CLASSIFIED ELSEWHERE	TOTAL ASSETS
	Reserves		Total Reserves	Other Claims	Total claims				CLAIMS ON PUBLIC ENTREPRISES	CLAIMS ON PRIVATE SECTOR	CLAIMS ON OTHER FINANCIAL INSTITUTIONS	TOTAL CLAIMS ON THE ECONOMY		
	Deposits	Cash in vault												
December 2009	25,397.6	9,486.0	34,883.6	73,220.9	108,104.5	107,466.2	17,922.6	28,010.4	3,021.4	341,579.2	8,022.8	352,623.3	80,207.0	694,333.9
December 2010	24,560.6	13,662.1	38,222.7	68,734.5	106,957.2	146,776.8	23,532.4	78,834.2	3,213.6	388,483.0	2,094.6	393,791.2	110,054.4	859,946.2
December 2011	43,458.3	15,154.6	58,612.9	96,677.3	155,290.2	157,348.8	11,428.6	80,088.6	2,800.1	498,837.9	3,482.1	505,120.1	142,638.0	1,051,914.3
June 2012	46,186.1	18,287.8	64,473.9	121,951.5	186,425.4	109,488.1	15,454.9	103,927.7	2,576.5	593,801.6	5,092.5	601,470.4	148,699.4	1,165,466.0
June 2013	54,519.2	21,365.4	75,884.6	90,229.2	166,113.8	146,120.7	20,481.3	111,746.6	998.1	703,675.1	5,228.8	709,902.0	171,700.9	1,326,065.4
2011														
January	25,284.6	17,076.2	42,360.8	36,633.8	78,994.6	142,114.9	29,188.7	75,870.8	3,409.9	396,557.5	1,567.6	401,535.1	111,395.4	839,099.5
February	32,594.2	16,120.6	48,714.7	45,003.1	93,717.8	148,925.2	25,840.4	76,859.0	2,502.0	408,144.2	781.0	411,427.3	125,353.0	882,122.6
March	30,788.0	14,168.6	44,956.6	52,007.8	96,964.4	131,661.9	27,341.0	80,257.0	1,145.7	413,809.3	1,130.0	416,088.0	132,729.1	895,041.4
April	31,371.0	15,164.8	46,535.8	56,417.4	102,953.3	131,341.9	22,075.5	81,806.3	956.5	427,979.1	1,125.5	430,061.1	125,679.6	893,917.7
May	21,433.6	16,601.1	38,034.8	92,483.1	130,517.9	134,127.3	20,255.5	83,894.0	1,492.1	434,069.5	1,117.9	436,679.5	123,431.9	928,906.2
June	31,912.7	13,517.7	45,430.4	88,769.7	134,200.1	134,141.2	19,004.7	98,156.6	2,645.9	437,711.9	2,547.6	442,905.4	136,264.5	964,672.5
July	39,829.7	15,561.6	55,391.2	63,662.6	119,053.8	117,647.8	17,768.7	94,748.5	4,092.0	463,304.4	1,102.4	468,498.8	150,680.0	968,397.5
August	28,377.0	18,651.4	47,028.4	82,533.1	129,561.5	122,139.7	19,647.4	90,470.4	3,537.8	475,420.8	1,094.5	480,053.2	144,889.6	986,761.7
September	30,685.8	16,803.3	47,489.1	77,877.1	125,366.2	128,287.1	13,808.7	78,933.6	4,433.7	481,776.2	1,086.4	487,296.3	142,521.5	976,213.5
October	30,275.3	17,113.2	47,388.5	70,861.7	118,250.2	120,986.8	12,869.7	84,053.2	4,615.6	493,840.5	1,078.3	499,534.5	152,630.7	988,325.0
November	35,445.8	17,668.4	53,114.1	81,338.4	134,452.5	136,659.3	12,124.7	81,729.1	3,074.6	496,872.4	2,985.4	502,932.4	143,652.7	1,011,550.7
December	43,458.3	15,154.6	58,612.9	96,677.3	155,290.2	157,348.8	11,428.6	80,088.6	2,800.1	498,837.9	3,482.1	505,120.1	142,638.0	1,051,914.3
2012														
January	45,675.0	16,556.2	62,231.2	84,587.8	146,819.0	145,056.7	10,560.5	77,814.6	3,033.0	504,687.4	5,324.7	513,045.0	145,450.3	1,038,746.2
February	50,238.5	18,110.5	68,349.0	111,057.0	179,406.0	145,448.2	9,622.1	69,123.3	2,255.0	525,216.3	6,562.3	534,033.7	151,004.4	1,088,637.7
March	28,746.3	16,241.8	44,988.1	134,545.4	179,533.5	152,906.8	8,321.3	56,589.0	2,229.4	542,382.1	9,290.5	553,901.9	137,864.5	1,089,117.1
April	44,368.5	19,277.2	63,645.7	109,933.3	173,579.0	148,844.0	11,423.8	55,650.7	2,335.6	564,625.4	2,536.1	569,497.2	145,854.8	1,104,849.4
May	43,390.5	20,088.7	63,479.2	119,060.4	182,539.6	145,842.7	13,381.4	68,966.3	3,246.4	580,323.0	4,837.6	588,407.0	146,611.4	1,145,748.4
June	46,186.1	18,287.8	64,473.9	121,951.5	186,425.4	109,488.1	15,454.9	103,927.7	2,576.5	593,801.6	5,092.5	601,470.4	148,699.4	1,165,466.0
July	50,158.6	21,581.1	71,739.7	52,674.5	124,414.1	157,517.9	15,426.8	86,098.4	2,805.4	615,198.0	5,351.0	623,354.5	146,353.8	1,153,165.4
August	47,327.5	21,741.3	69,068.7	46,024.2	115,092.9	140,773.1	16,104.4	75,972.4	2,864.4	635,269.5	7,654.2	645,788.0	152,708.9	1,146,439.7
September	51,207.9	20,577.8	71,785.6	26,783.0	98,568.6	148,585.7	19,307.2	75,619.9	5,038.6	654,957.3	8,107.9	668,103.9	145,429.7	1,155,615.0
October	54,818.8	22,234.4	77,053.1	25,535.8	102,588.9	138,915.3	21,472.1	69,389.6	5,363.4	653,268.6	8,076.2	666,708.2	147,085.6	1,146,159.6
November	50,151.6	21,183.7	71,335.3	43,983.0	115,318.3	165,524.3	16,394.6	61,107.0	4,594.8	664,887.5	6,680.1	676,162.4	146,892.4	1,181,399.0
December	57,259.9	22,255.0	79,514.9	59,782.4	139,297.3	149,936.1	17,108.1	69,313.2	1,023.4	671,674.0	3,488.6	676,186.0	152,943.1	1,204,783.7
2013														
January	55,529.3	20,841.9	76,371.2	20,000.0	96,371.2	165,586.1	19,842.7	85,421.8	815.6	674,481.7	8,151.3	683,448.6	157,367.0	1,208,037.3
February	57,549.6	22,727.3	80,276.9	27,500.0	107,776.9	177,205.5	18,327.5	82,235.0	882.6	682,337.3	5,329.9	688,549.7	155,851.6	1,229,946.3
March	64,282.2	20,195.9	84,478.2	17,000.0	101,478.2	175,097.7	16,162.5	89,291.5	803.5	692,237.6	5,787.8	698,829.0	157,470.5	1,238,329.3
April	58,923.4	22,711.6	81,635.0	24,700.0	106,335.0	163,996.8	18,333.0	93,392.8	874.8	702,266.4	6,524.7	709,685.9	159,296.6	1,251,020.2
May	60,083.5	22,335.6	82,419.0	56,450.0	138,869.0	157,478.8	23,880.4	84,194.6	1,045.4	698,620.9	3,159.5	702,825.8	153,812.1	1,261,060.6
June	54,519.2	21,365.4	75,884.6	90,229.2	166,113.8	146,120.7	20,481.3	111,746.6	998.1	703,675.1	5,228.8	709,902.0	171,700.9	1,326,065.4

Source: BNR

BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS (In FRW million)
(BK, BCR, FINA BANK, ECOBANK, ACCESS BANK, COGEBANQUE, BHR, UOB, BPR, KCB RWANDA, CCP, UNGUKA, AGASEKE BANK, CSS & EQUITY BANK)*

LIABILITIES

DESCRIPTION	DEPOSITS INCLUDED IN BROAD MONEY			GOVERNMENT DEPOSITS	FOREIGN LIABILITIES	BNR LOAN	SHARES AND OTHER EQUITY	BANKS DEPOSITS	LIABILITIES NON CLASSIFIED ELSEWHERE	TOTAL LIABILITIES
	TRANSFERABLE	NON TRANSFERABLE	FOREIGN CURRENCY							
December 2009	182,180.3	149,336.3	97,036.9	20,782.3	22,681.5	10,406.0	98,600.1	18,302.4	95,008.0	694,333.9
December 2010	238,255.9	181,227.2	99,229.5	24,930.2	31,336.0	8,787.4	125,584.9	20,906.6	129,687.8	859,945.5
December 2011	268,120.5	262,878.6	135,558.1	46,224.9	48,076.9	1,967.2	168,064.5	9,452.5	111,570.6	1,051,913.8
June 2012	318,814.2	305,137.5	132,254.5	52,060.5	47,455.3	1,176.8	180,636.3	16,207.0	111,724.1	1,165,466.2
June 2013	377,348.1	296,500.9	160,615.7	55,084.2	78,703.5	1,269.4	195,802.0	20,818.8	139,922.8	1,326,065.6
2009										
January	157,418.2	121,010.9	77,264.1	8,709.5	18,497.5	4,418.13	83,837.6	8,942.7	92,354.3	572,452.8
February	144,564.3	121,063.0	79,779.9	9,234.3	18,333.5	1,782.42	84,003.2	14,147.3	94,906.6	567,814.5
March	143,254.7	125,831.3	81,952.3	10,410.3	20,403.6	1,560.66	82,544.9	9,432.9	105,247.6	580,638.2
April	154,022.4	123,903.4	83,262.1	10,373.9	18,905.0	3,712.72	83,113.4	9,335.3	99,529.3	586,157.4
May	148,819.0	121,973.5	85,460.6	10,641.5	23,340.7	3,601.49	83,970.7	12,165.3	103,934.1	593,907.0
June	156,222.9	119,459.1	85,519.7	15,385.7	21,962.1	3,712.61	84,164.1	8,729.0	107,416.6	602,571.7
July	165,756.6	120,552.9	101,696.2	11,881.1	19,899.9	3,153.21	84,958.5	7,661.0	99,943.5	615,502.9
August	176,397.9	116,703.7	92,138.1	14,281.1	22,345.8	4,428.00	84,296.4	8,518.4	105,718.8	624,828.3
September	172,690.6	120,830.0	90,370.9	15,036.4	20,893.9	5,504.41	87,121.4	7,057.6	100,642.8	620,148.2
October	172,185.8	127,405.4	91,530.1	13,215.2	20,550.4	6,575.63	87,510.3	4,838.4	100,442.8	624,253.9
November	170,079.2	136,153.6	96,853.9	14,849.0	20,517.7	8,567.73	88,210.2	3,286.9	99,866.2	638,384.4
December	182,180.3	149,336.3	97,036.9	20,782.3	22,681.5	10,405.99	98,600.1	18,302.4	95,008.0	694,333.9
2010										
January	173,811.3	158,375.9	94,814.7	21,787.5	22,593.8	9,476.17	99,100.4	15,519.1	91,819.8	687,298.7
February	175,200.0	158,363.9	100,173.5	22,447.4	20,755.9	9,422.78	100,601.6	18,878.6	90,083.4	695,927.2
March	178,085.1	157,046.1	94,799.1	26,322.7	21,343.4	12,237.07	98,252.3	17,808.8	105,521.1	711,415.6
April	190,423.9	158,662.3	91,796.3	23,417.6	19,929.2	13,267.10	100,461.8	15,273.1	94,916.0	708,147.4
May	188,932.6	166,405.2	91,348.2	24,016.1	18,771.9	10,188.46	102,404.1	15,581.9	95,750.4	713,399.1
June	201,887.0	171,442.2	92,881.6	27,575.5	19,849.3	12,536.76	102,561.4	20,376.3	105,266.5	754,376.7
July	202,809.3	172,328.6	101,763.9	26,883.7	18,661.4	15,147.31	103,560.0	20,088.4	98,513.8	759,756.4
August	200,421.7	176,223.5	105,955.7	26,860.3	17,648.0	12,261.43	105,156.6	17,385.7	100,802.8	762,715.7
September	205,047.6	170,596.2	104,258.9	30,819.6	18,568.9	11,900.30	110,704.8	21,373.6	99,903.5	773,173.4
October	220,747.8	166,573.7	104,299.2	27,594.8	20,623.4	8,577.77	114,386.2	16,887.2	99,532.3	779,222.3
November	210,008.0	180,634.0	103,820.2	26,391.9	24,571.0	7,826.07	115,508.9	22,133.6	108,035.4	798,928.9
December	238,255.9	181,227.2	99,229.5	24,930.2	31,336.0	8,787.43	125,584.9	20,906.6	129,687.8	859,945.5

Source: BNR

BALANCE SHEET OF OTHER DEPOSITORY CORPORATIONS
(BK, BCR, FINA BANK, ECOBANK, ACCESS BANK, COGEBANQUE, BHR, UOB, BPR, KCB RWANDA, CCP, UNGUKA, AGASEKE BANK, CSS & EQUITY BANK)*

LIABILITIES

DESCRIPTION	DEPOSITS INCLUDED IN BROAD MONEY			GOVERNMENT DEPOSITS	FOREIGN LIABILITIES	BNR LOAN	SHARES AND OTHER EQUITY	BANKS DEPOSITS	LIABILITIES NON CLASSIFIED ELSEWHERE	TOTAL LIABILITIES
	TRANSFERABLE	NON TRANSFERABLE	FOREIGN CURRENCY							
December 2009	182,180.3	149,336.3	97,036.9	20,782.3	22,681.5	10,406.0	98,600.1	18,302.4	95,008.0	694,333.9
December 2010	238,255.9	181,227.2	99,229.5	24,930.2	31,336.0	8,787.4	125,584.9	20,906.6	129,687.8	859,945.5
December 2011	268,120.5	282,878.6	135,558.1	46,224.9	48,076.9	1,967.2	168,064.5	9,452.5	111,570.6	1,051,913.8
June 2012	318,814.2	305,137.5	132,254.5	52,060.5	47,455.3	1,176.8	180,636.3	16,207.0	111,724.1	1,165,466.2
June 2013	377,348.1	296,500.9	160,615.7	55,084.2	78,703.5	1,269.4	195,802.0	20,818.8	139,922.8	1,326,065.6
2011										
January	231,299.5	178,952.0	108,437.5	27,112.8	23,824.0	8,524.32	127,706.1	17,377.9	115,865.0	839,099.1
February	225,831.6	184,402.2	118,836.9	28,122.2	30,819.5	7,784.37	129,980.7	22,584.6	133,781.0	882,123.0
March	238,743.4	181,668.5	115,821.0	31,249.6	20,079.6	8,561.34	133,033.2	21,399.8	134,484.3	885,040.7
April	253,643.9	187,075.3	110,778.1	29,820.1	19,441.8	7,490.97	134,464.2	23,188.0	128,009.0	893,911.3
May	258,755.0	198,648.9	111,543.1	33,969.0	22,241.6	4,114.51	137,523.7	24,246.3	137,862.1	928,904.2
June	279,532.5	213,736.8	112,296.1	35,477.6	24,516.4	3,508.55	138,455.6	16,949.8	140,197.9	964,671.4
July	266,842.1	222,481.9	108,780.4	34,549.8	35,985.4	3,439.26	140,471.7	14,151.8	141,692.0	968,394.4
August	275,626.5	235,458.7	116,602.4	39,801.9	25,910.5	2,553.52	141,808.5	15,407.4	133,591.0	986,760.5
September	268,407.7	218,378.4	123,129.1	43,092.0	30,601.1	1,988.91	158,288.8	10,063.8	122,262.6	976,212.5
October	271,103.9	217,770.8	123,045.2	42,002.3	24,678.4	2,875.59	158,746.6	11,529.0	136,574.1	988,325.7
November	268,303.8	253,809.3	120,048.4	43,651.1	36,844.7	2,051.47	160,798.0	9,539.5	116,504.5	1,011,550.7
December	268,120.5	262,878.6	135,558.1	46,224.9	48,076.9	1,967.18	168,064.5	9,452.5	111,570.6	1,051,913.8
2012										
January	265,854.1	262,155.6	125,006.0	45,073.4	46,706.5	1,946.69	169,238.8	9,496.4	113,267.5	1,038,745.0
February	286,116.2	277,856.9	125,195.8	47,587.5	46,702.3	2,011.10	173,844.0	9,039.4	120,286.1	1,088,639.2
March	300,108.1	280,617.3	125,671.7	53,610.9	43,520.9	1,540.15	174,120.7	8,709.2	101,198.5	1,089,097.4
April	309,068.6	283,524.9	122,006.1	48,517.2	43,449.3	1,437.51	176,700.4	12,211.5	107,933.1	1,104,848.5
May	300,561.6	307,003.6	142,239.6	53,398.3	43,080.0	1,419.34	175,408.1	13,392.5	109,245.8	1,145,748.7
June	318,814.2	305,137.5	132,254.5	52,060.5	47,455.3	1,176.84	180,636.3	16,207.0	111,724.1	1,165,466.2
July	305,003.1	301,393.6	136,502.8	49,833.0	45,638.1	2,892.12	184,245.7	16,215.4	111,441.4	1,153,165.1
August	302,217.8	284,635.7	138,403.3	48,934.6	53,614.5	1,956.28	184,835.3	16,762.7	115,078.3	1,146,438.4
September	303,496.3	281,383.6	136,632.9	54,518.3	51,721.6	3,856.87	186,787.0	19,967.6	117,250.2	1,155,614.4
October	297,308.4	284,117.5	132,798.3	47,826.8	50,569.1	1,377.63	189,826.3	21,399.7	120,936.0	1,146,159.6
November	295,253.8	290,204.6	149,878.8	47,435.2	67,821.3	1,343.53	191,898.6	16,926.8	120,637.7	1,181,400.4
December	306,358.1	299,060.3	164,621.6	51,048.2	50,903.9	1,873.72	192,492.0	10,300.5	128,126.1	1,204,784.3
2013										
January	305,836.9	298,850.6	148,675.9	47,030.2	63,408.7	1,307.77	189,376.8	19,767.2	133,782.6	1,208,036.7
February	306,639.8	305,114.4	160,777.8	48,197.3	63,647.8	1,295.00	191,248.9	18,465.0	134,560.9	1,229,946.9
March	304,783.1	303,579.6	157,244.5	58,674.4	65,937.6	1,334.30	193,191.1	16,734.2	136,850.7	1,238,329.4
April	331,531.4	296,687.2	150,508.9	52,088.0	69,217.6	1,482.58	195,240.6	18,870.8	135,392.6	1,251,019.7
May	316,852.4	306,971.4	149,338.5	50,098.1	77,756.1	1,304.94	197,194.8	21,603.4	139,942.1	1,261,061.8
June	377,348.1	296,500.9	160,615.7	55,084.2	78,703.5	1,269.43	195,802.0	20,818.8	139,922.8	1,326,065.6

Source: BNR

* : 1) BHR has been included from December 2005 to November 2011
2) UOB is included since August 2007
3) CCP has been included from December 2008 to November 2011
4) KCB is included since January 2009
5) CSS is included since December 2009
6) UNGUKA and AGASEKE are included since November 2011

MONETARY SURVEY
(In FRW million)

Appendix 10

ASSETS	NET FOREIGN ASSETS			NET CLAIMS TO THE GOVERNMENT				DOMESTIC CREDIT					OTHER ITEMS NET	TOTAL ASSETS
				GROSS ASSETS	GROSS LIABILITIES	NET FOREIGN ASSETS	CLAIMS TO THE GOVERNMENT			CREDIT TO ECONOMY				
	CLAIMS	DEPOSITS	NET CLAIMS				AUTONOMOUS AGENCIES	CLAIMS ON PUBLIC ENTERPRISES	CLAIMS ON PRIVATE SECTOR	CREANCES SUR	TOTAL DOMESTIC CREDIT			
December 2009	532,819.9	89,762.3	443,057.5	84,306.9	225,591.3	-141,284.4	-1,900.0	3,000.0	357,260.8		218,976.4	-135,467.7	526,566.2	
December 2010	630,230.8	111,348.9	518,881.9	143,902.0	275,226.9	-131,324.9	-755.4	3,213.6	397,067.7	383.4	268,200.9	-171,222.7	615,860.2	
December 2011	790,873.3	118,707.4	672,165.9	118,816.9	337,074.4	-218,257.5	-1,033.2	2,800.1	506,267.3		289,776.7	-181,788.0	780,154.7	
June 2012	635,816.2	122,121.5	513,694.8	142,678.2	194,924.2	-52,246.0	-2,200.0	2,576.5	606,054.2		554,184.7	-187,945.0	879,934.4	
June 2013	833,007.4	156,354.8	676,652.6	150,319.4	346,921.7	-196,602.3	-2,993.8	998.1	717,128.1		518,530.0	-228,817.5	966,365.1	
2009														
January	408,985.6	27,471.8	381,513.8	68,557.2	209,755.8	-141,198.6	-443.2	1,896.9	333,444.8		193,699.9	-136,496.2	438,717.4	
February	398,500.8	26,926.8	371,573.9	68,242.7	207,381.8	-139,139.1	-421.3	1,776.0	336,382.0		198,597.6	-142,254.3	427,917.2	
March	377,899.8	29,219.9	348,679.9	71,513.6	188,087.2	-116,573.6	-363.5	2,261.3	336,497.5		221,821.8	-137,643.5	432,858.1	
April	413,250.2	30,245.4	383,004.8	68,333.0	209,730.5	-141,397.4	-415.8	2,012.0	337,612.0		197,810.8	-138,052.9	442,762.7	
May	399,596.5	35,334.2	364,262.4	68,028.1	192,322.2	-124,294.1	-630.3	2,816.2	336,328.6		214,220.4	-142,559.8	435,923.0	
June	424,363.9	34,121.7	390,242.2	65,915.8	202,369.5	-136,453.7	-600.0	1,944.4	326,927.5		191,818.2	-144,994.1	437,066.3	
July	450,835.3	31,302.2	419,533.1	66,625.4	206,233.1	-139,607.7	-600.0	1,947.1	327,235.2		188,974.6	-142,490.3	466,017.5	
August	487,318.7	86,983.0	400,335.7	83,466.7	201,307.2	-117,840.5	-1,930.9	1,801.8	324,671.3		206,701.8	-139,180.4	467,857.1	
September	513,426.7	89,392.9	424,033.8	71,573.6	216,871.7	-145,298.1	-1,900.0	2,011.6	322,667.8		177,481.3	-141,182.4	460,332.7	
October	542,092.8	89,360.0	452,732.9	69,693.4	234,905.2	-165,211.8	-1,900.0	1,887.4	320,769.0		155,544.7	-139,535.5	468,742.0	
November	541,990.2	90,173.0	451,817.2	69,763.6	220,768.4	-151,004.8	-1,900.0	2,801.9	332,000.5		181,897.7	-146,909.5	486,805.4	
December	532,819.9	89,762.3	443,057.5	84,306.9	225,591.3	-141,284.4	-1,900.0	3,000.0	357,260.8		218,976.4	-135,467.7	526,566.2	
2010														
January	525,130.8	90,139.9	434,990.9	71,148.6	220,545.5	-149,396.9	-1,900.0	2,791.2	365,327.6		216,821.9	-140,582.7	511,230.1	
February	512,981.2	86,406.5	426,574.7	81,855.8	209,305.5	-127,449.6	-1,900.0	2,791.2	359,917.1		233,358.7	-149,617.9	510,315.5	
March	494,653.1	86,935.9	407,717.2	92,481.8	212,418.3	-119,936.4	-1,946.2	2,785.8	365,917.2	365.3	246,820.3	-151,805.8	502,731.8	
April	490,895.7	85,037.7	405,858.0	102,078.0	215,056.4	-112,978.5	-1,952.4	2,902.9	369,161.5	359.9	257,133.5	-142,953.6	520,038.0	
May	484,929.4	83,326.0	401,603.4	125,999.1	222,734.2	-96,735.1	-1,900.0	2,813.8	368,490.5	365.9	272,669.2	-145,927.1	528,345.6	
June	559,737.0	85,308.7	474,428.3	97,811.3	223,594.3	-125,783.0	-4,300.0	2,912.2	371,187.1	369.2	244,016.3	-163,504.0	554,940.5	
July	548,650.0	86,082.2	462,567.8	100,609.8	211,934.6	-111,324.8	-4,300.0	3,083.7	376,490.0	368.5	263,948.8	-157,592.7	568,923.9	
August	515,172.2	87,398.3	427,773.8	122,510.2	199,860.3	-77,350.1	-4,300.0	2,999.1	378,549.8	371.2	299,898.8	-155,594.5	572,078.2	
September	572,432.5	87,619.2	484,813.3	100,871.9	233,348.6	-132,476.7	-4,300.0	2,807.7	377,950.5	376.5	243,981.5	-157,895.9	570,898.9	
October	575,444.4	90,232.3	485,212.1	92,695.4	216,559.4	-123,864.0	-574.6	2,934.2	383,417.8	378.5	261,913.4	-162,190.6	584,934.9	
November	544,558.6	94,323.4	450,235.2	128,264.3	217,377.4	-89,113.1	-574.6	2,925.0	392,704.2	378.0	305,941.5	-171,012.8	585,163.9	
December	630,230.8	111,348.9	518,881.9	143,902.0	275,226.9	-131,324.9	-755.4	3,213.6	397,067.7	383.4	268,200.9	-171,222.7	615,860.2	

Source: BNR



ASSETS	NET FOREIGN ASSETS			NET CLAIMS TO THE GOVERNMENT						CREDIT TO ECONOMY					DOMESTIC CREDIT		OTHER ITEMS NET	TOTAL ASSETS
	GROSS ASSETS	GROSS LIABILITIES	NET FOREIGN ASSETS	CLAIMS	DEPOSITS	NET CLAIMS	CLAIMS ON PUBLIC ENTERPRISES			CLAIMS ON PRIVATE SECTOR	CREANCES SUR	TOTAL DOMESTIC CREDIT						
December 2009	532,819.9	89,762.3	443,057.5	84,306.9	225,591.3	-141,284.4	-1,900.0	3,000.0	357,260.8		218,976.4	-135,467.7	526,566.2					
December 2010	630,230.8	111,348.9	518,881.9	143,902.0	275,226.9	-131,324.9	-755.4	3,213.6	397,067.7	383.4	268,200.9	-171,222.7	615,860.2					
December 2011	790,873.3	118,707.4	672,165.9	118,816.9	337,074.4	-218,257.5	-1,033.2	2,800.1	506,267.3		289,776.7	-181,788.0	780,154.7					
June 2012	635,816.2	122,121.5	513,694.8	142,678.2	194,924.2	-52,246.0	-2,200.0	2,576.5	606,054.2		554,184.7	-187,945.0	879,934.4					
June 2013	833,007.4	156,354.8	676,652.6	150,319.4	346,921.7	-196,602.3	-2,993.8	998.1	717,128.1		518,530.0	-228,817.5	966,365.1					
2011																		
January	598,249.4	100,216.0	498,033.5	130,716.7	253,230.1	-122,513.4	-603.0	3,409.9	405,928.0	397.1	286,221.6	-174,045.1	610,209.9					
February	596,183.4	103,007.5	493,175.8	148,489.1	271,582.2	-123,093.1	-572.8	2,500.5	415,674.2		294,508.8	-168,195.7	619,488.9					
March	556,211.2	91,814.3	464,396.9	156,974.2	255,551.3	-98,577.1	-564.2	1,145.6	421,391.7	365.3	323,396.0	-161,373.1	626,419.8					
April	625,209.2	96,926.6	528,282.6	126,085.0	272,938.2	-146,853.2	-534.6	956.5	435,897.8	359.9	289,466.5	-169,933.8	647,815.3					
May	598,007.2	98,190.3	499,816.8	144,439.6	234,895.6	-90,456.0	-581.4	1,492.1	441,982.0	365.9	352,436.7	-182,144.3	670,109.3					
June	585,020.5	99,755.4	485,265.1	175,315.3	223,277.7	-47,962.4	-800.0	2,645.9	446,996.7	369.2	400,880.2	-173,523.9	712,621.4					
July	569,470.2	110,388.7	459,081.6	138,468.6	203,797.2	-65,328.6	-824.5	4,092.0	471,227.1	368.5	409,166.0	-154,449.6	713,797.9					
August	601,734.8	101,171.7	500,563.1	132,994.1	221,858.6	-88,864.5	-805.7	3,537.8	483,788.8	371.2	397,656.4	-162,711.1	735,508.4					
September	624,027.8	104,116.2	519,911.6	129,251.4	243,825.7	-114,574.3	-799.0	4,433.7	490,255.6		379,315.9	-177,472.1	721,755.4					
October	670,763.2	99,359.3	571,403.9	127,088.9	308,049.9	-180,961.0	-872.3	4,615.6	502,302.6		325,085.0	-172,817.2	723,671.8					
November	658,656.8	104,742.0	553,914.8	142,199.1	288,257.3	-146,058.2	-989.6	3,074.6	506,613.9		362,640.6	-170,996.3	745,559.2					
December	790,873.3	118,707.4	672,165.9	118,816.9	337,074.4	-218,257.5	-1,033.2	2,800.1	506,267.3		289,776.7	-181,788.0	780,154.7					
2012																		
January	741,764.8	118,255.4	623,509.4	116,642.9	321,585.5	-204,942.6	-1,228.7	3,033.0	515,845.4		312,707.0	-176,969.4	759,247.0					
February	726,951.1	121,565.1	605,386.0	108,151.7	263,911.2	-155,759.5	-1,564.1	2,255.0	539,096.0		384,027.5	-193,945.2	795,468.2					
March	698,534.4	119,361.8	579,172.6	95,617.5	233,825.4	-138,207.9	-1,578.1	2,229.4	558,958.6		421,401.9	-184,759.3	815,815.2					
April	662,950.3	119,253.4	543,697.0	119,667.7	225,219.2	-105,551.5	-1,578.1	2,335.6	574,455.1		469,661.2	-182,173.2	831,185.0					
May	610,263.5	120,553.0	489,710.5	158,726.9	203,172.4	-44,445.4	-2,218.2	3,246.4	592,371.1		548,953.9	-173,807.0	864,857.3					
June	635,816.2	122,121.5	513,694.8	142,678.2	194,924.2	-52,246.0	-2,200.0	2,576.5	606,054.2		554,184.7	-187,945.0	879,934.4					
July	630,408.4	120,636.2	509,772.2	124,895.9	213,110.6	-88,214.7	-2,144.1	2,805.4	627,698.0		540,144.5	-187,733.8	862,183.0					
August	591,452.5	129,086.5	462,366.0	130,250.3	208,725.2	-78,474.9	-2,176.1	2,864.4	650,207.3		572,420.6	-192,384.5	842,402.2					
September	597,578.3	128,784.5	468,793.7	116,932.8	218,221.8	-101,289.0	-2,113.4	5,038.6	670,390.2		572,026.4	-205,590.7	835,229.5					
October	609,554.6	127,820.1	481,734.5	108,187.1	223,594.5	-115,407.4	-2,130.7	5,363.4	668,814.0		556,639.4	-214,275.9	824,098.0					
November	642,473.4	146,648.6	495,824.8	99,904.6	216,422.0	-116,517.4	-2,258.9	4,594.8	678,926.2		564,744.7	-214,223.9	846,345.6					
December	685,424.5	129,596.0	555,828.4	106,485.6	243,667.8	-137,202.1	-2,258.9	1,023.4	682,543.8		544,106.1	-210,051.3	889,883.3					
2013																		
January	630,811.1	142,487.3	488,323.9	124,019.3	218,656.9	-94,637.5	-2,755.7	815.6	690,195.6		593,618.0	-214,102.5	867,839.4					
February	613,692.3	142,540.8	471,151.4	121,499.5	183,650.9	-62,151.4	-2,755.3	882.6	694,955.7		630,931.6	-215,292.3	886,790.7					
March	618,667.0	143,094.9	475,572.1	127,889.1	204,300.3	-76,411.3	-2,755.3	803.5	705,422.8		627,059.7	-217,541.7	885,090.1					
April	615,740.8	147,480.9	468,259.9	131,965.6	199,481.1	-67,515.5	-2,991.1	874.8	716,315.9		646,684.1	-215,965.7	898,978.3					
May	813,586.7	155,051.3	658,535.4	122,767.4	369,290.7	-246,523.3	-2,993.8	1,045.3	709,836.8		461,365.0	-224,934.6	894,965.7					
June	833,007.4	156,354.8	676,652.6	150,319.4	346,921.7	-196,602.3	-2,993.8	998.1	717,128.1		518,530.0	-228,817.5	966,365.1					

Source: BNR

LIABILITIES PERIOD	MONEY (M1)		TOTAL MONEY (M1)	BROAD MONEY (M2)		EXTENDED BROAD MONEY (M3)	
	CURRENCY OUT OF BANKS	TRANSFERABLE DEPOSITS IN RWF		OTHER DEPOSITS IN RWF	BROAD MONEY (M2)	FOREIGN CURRENCY DEPOSITS	M3
2009							
December 2009	77,000.00	190,105.33	267,105.33	162,437.73	429,543.06	97,036.95	526,580.01
December 2010	90,478.21	240,090.59	330,568.80	186,137.46	516,706.26	99,229.55	615,935.81
December 2011	102,754.72	278,742.10	381,496.82	263,309.29	644,806.11	135,569.46	780,375.57
June 2012	111,570.98	331,006.93	442,577.91	305,137.48	747,715.39	132,254.46	879,969.85
June 2013	116,300.90	392,520.03	508,820.93	296,965.68	805,786.60	160,615.74	966,402.34
2011							
January	83,719.15	234,202.25	317,921.40	183,926.39	501,847.80	108,437.46	610,285.26
February	82,676.79	229,006.85	311,683.64	189,043.74	500,727.38	118,836.87	619,564.25
March	83,946.22	239,140.20	323,086.42	187,587.76	510,674.18	115,820.98	626,495.16
April	89,607.17	255,437.56	345,044.73	192,094.87	537,139.59	110,778.13	647,917.72
May	89,715.83	264,576.40	354,292.23	204,280.61	558,572.84	111,543.13	670,115.97
June	101,533.51	272,679.40	374,212.91	226,107.00	600,319.91	112,266.30	712,586.21
July	100,857.38	260,733.08	361,590.46	243,332.36	604,922.82	108,775.02	713,697.84
August	95,284.08	266,457.43	361,741.50	257,136.57	618,878.08	116,593.48	735,471.55
September	93,429.16	262,844.82	356,273.98	242,398.40	598,672.38	123,120.64	721,793.02
October	92,829.35	264,716.72	357,546.07	243,048.04	600,594.11	123,036.93	723,631.04
November	91,337.66	278,802.28	370,139.94	255,319.61	625,459.55	120,058.91	745,518.45
December	102,754.72	278,742.10	381,496.82	263,309.29	644,806.11	135,569.46	780,375.57
2012							
January	96,303.48	275,818.22	372,121.70	262,155.65	634,277.34	125,005.96	759,283.30
February	96,635.63	295,777.90	392,413.53	277,856.93	670,270.46	125,195.76	795,466.22
March	99,252.81	310,221.34	409,474.15	280,617.30	690,091.46	125,672.17	815,763.62
April	105,133.57	320,514.36	425,647.93	283,524.87	709,172.80	122,006.53	831,179.33
May	103,355.30	312,280.74	415,636.04	307,003.61	722,639.65	142,239.59	864,879.24
June	111,570.98	331,006.93	442,577.91	305,137.48	747,715.39	132,254.46	879,969.85
July	108,639.53	315,722.38	424,361.91	301,393.60	725,755.51	136,502.82	862,258.32
August	106,708.52	312,730.11	419,438.63	284,635.68	704,074.31	138,403.25	842,477.56
September	102,234.32	315,054.01	417,288.32	281,383.63	698,671.95	136,632.90	835,304.85
October	99,315.13	307,942.44	407,257.57	284,117.48	691,375.05	132,798.34	824,173.39
November	100,226.33	305,550.00	405,776.33	290,728.22	696,504.55	149,878.81	846,383.36
December	107,012.13	318,713.36	425,725.50	299,575.17	725,300.67	164,621.57	889,922.23
2013							
January	102,160.36	317,685.24	419,845.60	299,356.61	719,202.20	148,675.92	867,878.12
February	100,488.04	319,952.24	420,440.29	305,611.27	726,051.56	160,777.84	886,829.40
March	105,630.35	318,184.81	423,815.15	304,069.13	727,884.29	157,244.49	885,128.78
April	105,673.17	345,666.28	451,339.44	297,168.63	748,508.07	150,508.94	899,017.01
May	107,598.30	330,330.12	437,928.42	307,444.57	745,372.99	149,338.45	894,711.44
June	116,300.90	392,520.03	508,820.93	296,965.68	805,786.60	160,615.74	966,402.34

Source: BNR

CONSOLIDATED BALANCE SHEET OF OTHER FINANCIAL CORPORATIONS, (In FRW million)

Appendix 11

DESCRIPTION	2005	2006	2007	2008	2009	2010	2011	June 2012	June 2013
ASSETS									
Reserves	22,262.6	27,754.3	31,925.1	44,111.7	52,374.3	63,080.8	97,614.8	109,554.7	143,133.8
Cash in vaults	16.39	9.73	34.45	9.57	66.43	166.11	200.66	107.56	3,411.78
Deposits	0.12	2.31	0.93	0.26	0.23	0.28	167.23	107.56	155.57
Foreign assets	16.27	7.42	33.52	9.31	66.19	165.83	33.43	0.00	3,256.20
Claims on Government	10.00	10.00	0.00	0.00	0.00	1,595.35	1,523.01	356.21	7,975.58
Claims on the Economy	2,725.75	23.10	0.00	0.00	0.00	0.00	45.36	23.50	0.00
Claims on public enterprises	11,172.94	18,610.73	26,008.95	31,928.78	43,162.97	54,069.65	77,409.64	90,781.58	112,793.36
Claims on other financial corporations	536.79	133.62	102.21	234.61	215.70	280.98	0.00	0.00	0.00
Claims on private sector	0.00	0.00	0.00	0.00	0.00	0.00	3,228.96	2,433.42	4,572.98
Claims on banks	10,636.15	18,477.11	25,906.74	31,694.17	42,947.27	53,788.67	74,180.69	88,348.16	108,220.39
Others Assets	4,138.03	6,000.68	3,916.55	9,992.49	6,537.80	4,348.08	5,934.45	3,650.01	2,309.99
	4,199.51	3,100.09	1,965.15	2,180.87	2,607.07	2,901.65	12,501.70	14,635.80	16,643.10
LIABILITIES									
Liabilities to Government	22,262.6	27,754.3	31,925.1	44,111.7	52,374.3	63,080.8	97,614.1	109,554.7	143,133.8
Liabilities to Central Bank	4,887.80	2,755.17	5,134.65	5,506.00	8,982.11	9,535.26	25,256.69	29,241.56	33,121.08
Liabilities to other resident sector	1,431.82	1,171.45	1,541.54	1,407.73	2,721.55	4,586.72	1,826.62	3,785.76	884.78
Long term foreign debt	0.00	0.00	3,470.51	8,465.51	4,112.78	4,993.47	14,743.40	17,571.87	29,855.83
Share capital and equity	4,541.61	7,732.33	2,162.47	2,125.70	5,050.17	5,792.27	12,796.12	15,732.11	33,086.05
Other account payables	4744.34	5070.44	5618.26	13097.35	14100.07	16823.85	20185.807	29229.423	31434.544
	6657.06	11024.95	13997.66	13509.42	17407.59	21349.28	22805.48	13993.961	14751.53

Source: BNR

* This statement includes BRD only.





BANKING SURVEY, (In FRW million)
(BNR, BK, BCR, FINA BANK, ECOBANK, ACCESS BANK, COGEBANQUE, BHR, UOB, BPR, KCB RWANDA, CSS , UNGUKA, AGASEKE BANK, EQUITY BANK and BRD)
(In FRW million)

Appendix 12

DESCRIPTION	2005	2006	2007	2008	2009	2010	2011	2012 (June)	2013 (June)
I. NET FOREIGN ASSETS	327,341.2	285,266.2	352,220.9	404,982.6	442,955.0	530,362.2	672,200.1	513,732.5	676,686.8
Assets: BNR	225,506.7	241,214.7	300,825.5	334,221.2	424,147.7	483,454.0	634,350.0	526,328.2	686,886.6
BANKS	156,523.3	70,998.1	87,008.9	96,751.9	107,466.2	146,776.8	156,523.3	109,488.1	146,120.7
Less liabilities: BNR	43,364.4	16,258.3	18,770.1	7,770.9	65,977.3	68,532.6	70,483.6	74,455.8	77,319.5
BANKS	11,324.5	10,688.3	16,843.5	18,219.7	22,681.5	31,336.0	48,189.6	47,628.0	79,001.0
II. NET DOMESTIC CREDIT	126,260.3	159,953.2	203,303.0	225,151.4	256,735.3	322,076.2	344,001.1	615,895.2	631,202.9
Net Claims on Government	-52,827.6	-72,370.9	-83,098.0	-149,493.2	-147,112.5	-132,250.4	-244,203.3	-83,517.7	-199,596.2
Claims: BNR	46,374.7	41,792.9	41,196.8	39,737.4	50,159.9	57,850.4	38,728.4	38,597.6	38,572.8
BANKS	23,701.9	24,166.3	42,269.6	24,354.5	28,010.4	78,834.2	80,088.6	103,927.7	111,746.6
O.F.I	2,725.7	23.1	0.0	0.0	0.00	0.00	45.36	23.50	0.00
Less deposits: BNR	104,466.8	116,074.2	142,055.8	198,684.5	195,518.3	234,469.5	301,393.9	155,840.8	308,781.1
BANKS	16,275.3	19,523.7	19,373.9	9,394.7	20,782.3	24,930.2	36,415.0	40,984.2	41,134.4
O.F.I	4,887.8	2,755.2	5,134.7	5,506.0	8,982.1	9,535.3	25,256.7	29,241.6	0.0
Claims on public enterprises	2,716.9	2,539.6	1,864.7	3,082.6	3,455.2	3,494.6	1,045.4	2,576.5	998.1
BNR	61.2	24.4	13.2	1.2	0.0	0.0	0.0	0.0	0.0
BANKS	2,119.0	2,381.6	1,749.4	2,846.8	3,239.5	3,213.6	1,045.4	2,576.5	998.1
O.F.I	536.8	133.6	102.2	234.6	215.7	281.0	0.0	0.0	0.0
Claims on private sector	176,370.9	229,784.4	284,536.3	371,561.9	400,392.5	450,832.0	587,159.0	696,836.5	829,800.9
BNR	3,367.6	3,509.9	4,832.8	5,773.0	7,843.3	6,465.7	7,429.4	7,160.8	8,103.7
BANKS	162,367.2	207,797.4	253,796.7	334,094.7	349,601.9	390,577.6	502,319.9	598,894.1	708,903.9
O.F.I	10,636.1	18,477.1	25,906.7	31,694.2	42,947.3	53,788.7	77,409.6	90,781.6	112,793.4
ASSETS = LIABILITIES	453,601.4	445,219.4	555,523.9	630,133.9	699,690.3	852,438.4	1,016,201.2	1,129,627.7	1,307,889.7
MONEY SUPPLY	425,494.0	555,277.0	705,848.3	726,139.8	860,823.9	1,041,403.8	1,255,090.4	1,395,756.1	1,533,720.6
I. MONEY	242,294.1	316,246.4	424,478.3	466,104.8	491,194.0	613,537.3	784,828.8	883,491.8	970,419.1
Transferable deposits with BNR	126,327.1	152,313.4	217,181.1	225,358.7	258,050.7	330,005.8	383,549.0	443,696.6	510,317.8
Currency in circulation	46,210.1	52,730.9	63,224.0	80,892.3	76,992.4	90,478.2	102,754.7	111,571.0	116,300.9
Public Enterprises**	288.4	258.3	469.2	339.1	1,603.2	543.0	256.0	418.5	808.7
Private Sector***	93.9	347.3	749.5	487.4	677.5	728.7	1,429.6	700.2	688.2
Transferable deposits with ODCs	79,734.7	98,238.7	144,857.3	160,930.3	182,180.3	238,255.9	279,108.6	331,006.9	392,520.0
II. QUASI MONEY	115,967.0	163,933.0	207,297.2	240,746.1	233,143.3	283,531.5	401,279.8	439,795.2	460,101.4
Non transferable deposits	72,294.3	107,383.0	140,548.8	132,896.1	153,272.0	184,302.0	265,710.4	307,540.8	299,485.6
BNR	1,540.1	1,594.4	1,454.8	1,523.2	3,935.7	3,074.7	2,401.1	2,403.3	2,520.0
BANKS	70,754.2	105,788.6	139,094.0	131,372.9	149,336.3	181,227.2	263,309.3	305,137.5	296,965.7
Foreign currency deposits	43,672.7	59,178.4	68,634.0	82,338.2	97,036.9	99,229.5	135,569.5	132,254.5	160,615.7
OTHER ITEMS NET	183,199.8	239,030.6	281,370.0	260,035.0	369,629.9	427,866.6	470,261.6	512,264.3	563,301.4
I. BNR	79,381.1	99,201.0	121,555.1	86,488.4	136,661.3	148,276.2	205,401.2	225,329.4	220,577.4
Cash in Banks' Vaults	4,078.5	5,694.2	7,692.8	7,605.7	9,486.0	13,662.1	15,154.6	18,287.8	21,365.4
Cash in OFIs' Vaults	0.1	2.3	0.9	0.3	0.2	0.3	167.2	107.6	155.6
Banks' Deposits	11,504.5	11,513.6	22,945.0	23,045.2	25,397.6	24,560.6	43,458.3	46,186.1	54,519.2
Other Financial Institutions deposits	16.3	7.4	33.5	9.3	66.2	165.8	33.4	0.0	3,256.2
Money market borrowings	40,273.0	50,538.2	58,611.5	16,600.0	73,537.8	69,330.6	96,114.9	122,409.8	90,200.0
Shares and other equity	27,756.3	30,385.2	35,506.5	35,745.2	38,167.1	51,793.6	54,677.2	61,947.4	82,516.2
Liabilities not classified elsewhere	73,051.4	82,516.1	82,999.7	89,984.8	84,709.6	86,682.6	138,941.5	123,804.7	139,373.3
Loans to Banks on money market	0.0	0.0	0.0	0.0	-8,678.2	-8,000.0	-600.0	0.0	-273.4
Other Loan to banks	-1,379.8	-1,189.3	-1,298.9	-1,495.6	-881.7	-745.6	-597.2	-450.1	0.0
Other Loan to OFIs.	-424.0	-278.0	-1,167.4	-1,460.7	-2,471.0	-1,712.8	-1,839.1	-1,671.1	-1,341.1
Assets not classified elsewhere	-75,495.2	-79,988.8	-83,768.5	-83,545.8	-82,672.3	-87,460.9	-140,109.7	-145,292.9	-169,194.0
II. BANKS	94,797.8	123,941.0	142,411.1	155,589.3	202,900.6	238,454.1	220,068.5	245,020.4	286,248.8
BNR loan	2,059.0	3,125.3	1,560.3	1,597.5	10,406.0	8,787.4	1,967.2	1,176.8	1,269.4
Shares and other equity	31,338.5	38,069.7	54,798.4	76,176.4	98,600.1	125,584.9	168,064.5	180,636.3	195,802.0
Banks Deposits	3,910.1	14,138.7	12,600.1	9,222.1	18,302.4	20,906.6	9,452.5	16,207.0	20,354.0
Reserves	15,583.0	17,207.8	30,637.8	30,651.0	34,883.6	38,222.7	58,612.9	64,473.9	75,884.6
Claims on Banks	10,817.7	15,581.3	15,278.0	11,112.9	17,790.9	23,400.8	11,428.6	15,454.9	20,481.3
Claims on Other Financial Intermediaries	1,655.2	1,158.8	1,368.4	3,261.1	8,240.9	2,094.6	3,482.1	5,092.5	5,228.8
Other items net	29,434.3	34,659.3	26,168.0	23,568.4	14,676.7	19,457.1	-32,939.3	-38,021.1	-32,771.3
III. Other Financial Intermediaries	9,020.9	15,888.7	17,403.8	17,957.3	30,068.1	41,136.3	44,791.9	41,914.5	56,475.3
Reserves	-16.4	-9.7	-34.4	-9.6	-66.4	-166.1	-200.7	-107.6	-155.6
Claims on banks	-4,138.0	-6,000.7	-3,916.6	-9,992.5	-6,537.8	-4,348.1	-5,934.4	-3,650.0	-2,310.0
Claims on Other Financial Intermediaries	0.0	0.0	0.0	0.0	0.0	0.0	-3,229.0	-2,433.4	-4,573.0
Foreign Long term debt	4,541.6	7,732.3	2,162.5	2,125.7	5,050.2	5,792.3	12,796.1	15,732.1	33,086.1
Other amounts due	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BNR Credit	1,431.8	1,171.4	1,541.5	1,407.7	2,721.5	4,586.7	1,826.6	3,785.8	884.8
Shares and other equity	4,744.3	5,070.4	5,618.3	13,097.4	14,100.1	16,823.9	29,229.4	29,229.4	31,434.5
Other items net	2,457.6	7,924.9	12,032.5	11,328.6	14,800.5	18,447.6	10,303.8	-641.8	-1,891.6

Source: BNR

BNR

Outstanding Loans by activities sector on 30 June 2013, (In FRW thousand)
(BCR, BK, ECOBANK RWANDA, FINA BANK, ACCESS BANK, COGEBANQUE,
KCB, BPR, EQUITY, AGASEKE, UNGUKA, URWEGO and BRD)

Cash credits
Private and public sector
Class 1 to 5
Individual and legal entities

Activities sector	30 June 2012				Total	30 June 2013				Total
	Long-term	Medium-term	Short-term	Grouped credits		Long-term	Medium-term	Short-term	Grouped credits	
0001 : Non-classified activities	664,827	66,132,581	6,945,657	60,281,498	134,024,563	3,252,513	85,129,922	5,297,901	60,202,820	153,883,156
1000 : Agricultural, fisheries& livestock	4,996,751	9,660,460	2,513,898	6,733,204	23,904,313	7,470,039	9,245,862	2,011,745	3,764,815	22,492,461
2000 : Mining activities	3,220				3,220			-		-
3000 : Manufacturing activities	11,440,911	8,695,942	6,004,945	6,259	26,148,057	15,436,094	13,334,206	7,176,396	6,259	35,952,955
4000 : Water & energy activities	289,539	1,292,327	1,910,987		3,492,853	4,760,065	911,531	1,792,904		7,464,500
5000 : Mortgage industries	86,764,784	45,718,326	19,813,841	3,861,917	156,158,868	110,818,364	52,126,432	21,197,839	2,898,777	187,041,412
6000 : Commercial & hotel	32,901,514	44,631,787	85,984,447	7,047,075	170,564,823	51,385,696	62,987,278	85,004,320	5,308,623	204,685,917
7000 : Transport & warehousing	2,368,883	25,714,959	8,386,858	1,486,147	37,956,847	1,866,458	34,765,251	10,107,866	958,330	47,697,905
8000 : OFI & Insurance	1,848,544	1,785,820	1,424,358		5,058,722	4,438,182	1,751,595	1,703,404		7,893,181
9000 : Service sector	12,763,336	3,792,354	1,437,683	888	17,994,261	15,139,374	5,666,068	2,245,830	888	23,052,160
Total	154,042,309	207,424,556	134,422,674	79,416,988	575,306,527	214,566,785	265,918,145	136,538,205	73,140,512	690,163,647

Source: BNR



NEW AUTHORIZED LOANS BY SECTOR OF ACTIVITY (In FRW thousand)
(BCR, BK, ECOBANK RWANDA, FINA BANK, ACCESS BANK, COGEBANQUE, BPR, BRD, KCB, EQUITY, AGASEKE, UNGUKA AND URWEGO OPPORTUNITY)*

Appendix 14

Activities sector	July 2012-June 2013			Total
	Long-term	Medium-term	Short-term	
0001 : Non_classified activities	2,509,172	55,921,646	7,444,908	65,875,726
1000 : Agricultural, fisheries& livestock	4,730,262	2,869,776	1,978,216	9,578,254
3000 : Manufacturing activities	9,862,391	12,599,426	19,703,167	41,664,984
4000 : Water & energy activities	2,791,270	1,314,670	30,300	4,136,240
5000 : Mortgage industries	46,738,853	21,452,224	23,535,120	91,726,197
6000 : Commercial & hotel	18,411,918	50,692,562	136,947,775	204,052,255
7000 : Transport & warehousing	907,674	16,264,964	11,759,406	28,932,044
8000 : OFI & Insurance	3,000,000	646,871	3,809,370	6,956,241
9000 : Service sector	4,791,766	2,793,520	4,122,581	11,675,744
Total	93,743,306	164,555,659	209,330,843	467,629,808

Source: BNR
Cash credit to firms and individuals, both private and public sectors.

INTEREST RATES STRUCTURE (in %)

Appendix 15

DESCRIPTION	2010												
PERIOD	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	
Deposit rate	7.59	7.12	7.17	6.93	6.86	6.30	6.14	6.17	6.22	6.51	7.07	7.10	
Lending rate	17.28	16.08	16.94	16.96	16.65	17.38	16.91	17.20	16.82	17.34	17.51	16.94	
Money market rate													
* -Mop-up	-	-	-	-	-	-	-	-	-	-	-	-	
-Injection	-	-	-	-	-	-	-	-	-	-	-	-	
Repo Rate	5.25	4.71	4.42	3.46	3.92	5.19	5.42	5.42	5.47	5.23	5.07	5.47	
Discount rate	11.50	11.50	11.50	11.00	11.00	11.00	11.00	11.00	11.00	11.00	10.00	10.00	
Standing Deposit Facility													
Standing Lending Facility													
Interbank rate	7.07	7.28	6.81	6.30	6.13	6.58	7.03	6.76	7.38	7.32	7.16	6.84	
Weight average rate on T-bill market :	9.06	8.81	8.42	7.94	7.60	7.30	7.15	7.14	7.62	7.51	7.28	7.32	
28 days	7.50	7.72	-	7.16	7.03	7.14	7.08	6.98	6.96	6.93	6.79	6.29	
91 days	9.38	8.55	7.72	7.36	7.11	7.20	7.20	7.02	7.03	7.00	6.97	6.76	
182 days	-	9.30	9.11	8.83	8.16	8.00	-	7.59	7.88	7.69	7.07	7.22	
364 days	-	-	-	-	9.00	-	-	8.85	8.85	8.00	7.69	7.68	
T-Bonds market													
Tbond 2 yrs								9.46					
Tbond 3 yrs				10.54									
Tbond 5 yrs											11.12		
3 to 12 months BNR liquidity facility	-	-	9.04	9.24	-	9.13	-	9.50	8.83	-	-	-	
Key Repo Rate	7.50	7.50	7.00	7.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00	6.00	
Reverse Repo	-	-	-	-	-	-	-	-	-	-	-	-	

Source : BNR

* Mop-up operations replaced by Repo since September 2008.



INTEREST RATES STRUCTURE (in %)

Appendix 15 (Cont'd)

DESCRIPTION	PERIOD	2011											
		Jan.	Febr.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.
Deposit rate		7.51	7.50	7.49	8.65	7.93	8.03	6.83	6.59	6.49	7.04	7.97	7.96
Lending rate		15.63	16.91	16.59	16.21	16.89	16.97	16.58	16.98	17.01	17.04	16.48	16.73
Money market rate													
	* -Mop-up	-	-	-	-	-	-	-	-	-	-	-	-
	-Injection	-		-	-	-	-	-	-	-	-	-	-
Repo Rate		5.95	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.37	6.62	6.53
Discount rate		10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.50	11.00	11.00
Standing Deposit Facility													
Standing Lending Facility													
Interbank rate		6.71	6.74	6.74	6.86	6.92	7.00	6.93	6.87	6.93	7.36	7.48	8.08
Weight average rate on T-bill market :		7.19	7.02	7.22	7.11	7.04	6.78	6.80	6.74	6.71	7.21	7.82	7.62
	28 days	6.13	6.23	6.40	6.35	6.21	6.11	6.15	6.10	6.27	6.77	6.83	6.98
	91 days	6.38	6.44	6.90	6.84	6.69	6.47	6.35	6.21	6.48	7.01	7.24	7.28
	182 days	7.20	7.14	7.39	7.24	7.18	6.92	7.21	7.16	6.85	7.24	7.69	7.61
	364 days	7.70	7.34	7.58	7.38	7.33	7.21	7.06	7.05	6.98	7.50	8.62	8.18
T-Bonds market													
	Tbond 2 yrs	-	-	-	-	-	-	-	-	-	-	-	-
	Tbond 3 yrs	-	10.43		-	-	-	-	-	-	-	-	-
	Tbond 5 yrs	-	-	-	-	-	-	-	-	-	11.12	-	-
3 to 12 months BNR liquidity facility		-	-	-	-	-	-	-	-	-	-	-	-
Key Repo Rate		6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.50	7.00	7.00
Reverse Repo		-	-	-	-	-	-	-	-	-	-	-	-

Source : BNR

* Mop-up operations replaced by Repo since September 2008.

INTEREST RATES STRUCTURE (in %)
Appendix 15 (Cont'd)

DESCRIPTION	PERIOD	2012											
		Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.
Deposit rate		7.40	8.25	8.20	8.09	9.92	7.91	8.85	8.64	8.46	9.24	11.15	10.04
Lending rate		16.95	16.27	16.30	16.87	16.72	16.82	16.52	17.08	17.14	16.61	16.65	16.49
Money market rate													
	* -Mop-up												
	-Injection												
Repo Rate		6.44	6.01	6.90	6.91	6.37	7.43	7.37	7.34	7.45	7.30	7.50	7.46
Discount rate		11.00	11.00	11.00	11.00	11.50	11.50	11.50	11.50	11.50	11.50	11.50	11.50
Standing Deposit Facility											5.50	5.50	5.50
Standing Lending Facility											9.50	9.50	9.50
Interbank rate		7.45	6.86	7.65	8.00	8.60	8.95	8.43	9.52	10.82	10.88	11.90	11.12
Weight average rate on T-bill market :		7.60	7.61	7.73	7.85	8.34	9.31	9.63	11.12	12.28	12.07	12.38	12.39
	28 days	7.14	7.15	7.42	7.48	7.91	8.81	9.39	10.62	11.54	11.86	11.80	11.80
	91 days	7.26	7.62	7.62	7.62	8.13	9.63	10.15	10.17	12.10	12.37	12.53	12.60
	182 days	7.66	7.45	7.93	7.92	8.34	9.41	9.41	10.55	12.01	12.48	12.74	12.83
	364 days	8.38	8.02	7.78	8.45	8.86	9.13	9.13	11.65	12.70	-	-	-
T-Bonds market								-	-	-	-	-	-
	Tbond 2 yrs	-	-	-	-	-	-	-	-	-	-	-	-
	Tbond 3 yrs	-	-	-	-	-	-	-	-	-	-	-	-
	Tbond 5 yrs	-	-	-	-	-	-	-	-	-	-	-	-
3 to 12 months BNR liquidity facility		-	-	-	-	-	-	-	-	-	-	-	-
Key Repo Rate		7.00	7.00	7.00	7.00	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50
Reverse Repo		-	-	-	-	-	-	-	-	-	-	-	-

Source : BNR

* Mop-up operations replaced by Repo since September 2008.



INTEREST RATES STRUCTURE (in %)

Appendix 15 (Cont'd)

DESCRIPTION		2013					
	PERIOD	Jan.	Feb.	Mar.	Apr.	May	June
Deposit rate		11.80	10.32	10.38	10.67	11.55	11.50
Lending rate		17.09	17.14	17.17	17.27	17.56	17.65
Money market rate							
	* -Mop-up						
	-Injection						
Repo Rate		7.44	7.36	7.00	7.23	7.08	6.68
Discount rate		11.50	11.50	11.50	11.50	11.50	11.00
Standing Deposit Facility		5.50	5.50	5.50	5.50	5.50	5.00
Standing Lending Facility		9.50	9.50	9.50	9.50	9.50	9.00
Interbank rate		11.11	10.40	10.03	10.86	11.10	9.58
Weight average rate on T-bill market :		12.36	12.20	12.13	12.03	11.98	10.81
	28 days	12.10	11.58	11.00	11.16	10.99	10.00
	91 days	12.55	12.31	12.14	12.35	11.96	10.70
	182 days	12.82	12.69	12.57	12.82	12.43	11.34
	364 days	-	-	12.80	13.00	12.69	11.65
T-Bonds market		-	-	-	-	-	-
	Tbond 2 yrs	-	-	-	-	-	-
	Tbond 3 yrs	-	-	-	-	-	-
	Tbond 5 yrs	-	-	-	-	-	-
3 to 12 months BNR liquidity facility		-	-	-	-	-	-
Key Repo Rate		7.50	7.50	7.50	7.50	7.50	7.00
Reverse Repo		-	-	-	-	-	-

Source : BNR

* Mop-up operations replaced by Repo since September 2008.

AVERAGE EXCHANGE RATES OF SELECTED MAJOR CURRENCIES

Appendix 16

Description	1USD	1£stg	1YEN	1DTS	1EURO
2005	557.81	1016.30	5.09	825.11	695.52
2006	548.00	1015.97	4.74	811.64	692.40
2007	547.01	1093.09	4.65	836.71	748.93
2008	546.85	1013.83	5.30	864.46	804.23
2009	568.27	887.92	6.09	872.50	791.79
2010	583.13	901.56	6.65	889.72	774.01
2011	600.29	962.83	7.54	947.62	835.67
2012	614.29	973.60	7.71	940.46	789.66
2012-2013 (Fiscal year average)	629.04	986.39	7.23	953.49	813.95
2009					
January	564.19	818.69	6.24	811.25	751.34
February	566.80	819.40	6.16	843.40	726.52
March	568.53	806.32	5.82	842.58	739.97
April	568.50	833.80	5.76	847.85	749.48
May	567.21	872.06	5.86	861.30	771.60
June	567.97	911.11	5.88	877.37	796.07
July	569.28	930.39	6.03	883.50	801.88
August	568.04	940.25	5.98	885.99	809.75
September	568.80	929.48	6.21	896.70	826.78
October	569.44	920.91	6.32	905.09	843.29
November	569.87	945.36	6.38	911.17	849.38
December	570.59	927.33	6.38	903.76	835.43
Annual average	568.27	887.92	6.09	872.50	791.79
January	572.14	925.31	6.26	895.74	818.10
February	572.78	894.64	6.35	880.64	783.17
March	572.62	861.87	6.33	874.94	777.53
April	574.00	879.63	6.13	870.93	770.38
May	578.63	850.49	6.27	857.15	729.81
June	584.38	861.02	6.42	857.80	713.67
July	589.39	900.23	6.73	886.12	752.66
August	588.97	920.83	6.88	893.13	759.07
September	588.35	915.29	6.97	897.49	767.91
October	590.17	935.82	7.20	925.91	819.28
November	592.37	947.54	7.20	925.46	812.37
December	593.78	926.05	7.12	911.33	784.12
Annual average	583.13	901.56	6.65	889.72	774.01

Source : BNR



AVERAGE EXCHANGE RATES OF SELECTED MAJOR CURRENCIES

Appendix 16 (Cont'd)

Description	1USD	1£stg	1YEN	1DTS	1EURO
2011					
January	596.75	939.46	7.23	921.62	796.76
February	600.24	967.47	7.27	936.07	818.70
March	599.53	969.66	7.34	945.49	838.94
April	601.27	982.15	7.22	957.07	867.09
May	599.28	979.81	7.39	956.14	860.98
June	600.00	974.24	7.45	958.23	863.18
July	600.35	969.56	7.57	957.75	857.12
August	599.75	981.83	7.78	963.57	860.21
September	599.84	949.47	7.81	948.30	828.69
October	601.29	945.55	7.85	947.08	822.51
November	601.77	952.40	7.77	944.63	817.69
December	603.45	942.33	7.75	935.53	796.17
Annual average	600.29	962.83	7.54	947.62	835.67
2012					
January	604.37	936.44	7.85	930.43	779.26
February	605.15	955.36	7.73	938.66	799.47
March	606.80	959.52	7.37	934.15	801.24
April	607.01	970.75	7.46	936.26	799.26
May	608.56	970.58	7.63	932.84	781.01
June	609.94	947.89	7.70	911.06	764.00
July	612.95	955.23	7.77	924.93	752.14
August	613.68	964.25	7.80	930.45	760.96
September	618.08	994.28	7.90	951.16	793.51
October	625.24	1006.08	7.93	964.33	810.86
November	628.77	1004.32	7.78	962.20	806.94
December	630.99	1018.50	7.56	969.03	827.21
Annual average	614.29	973.60	7.71	940.46	789.66
2013					
January	631.33	1008.47	7.10	964.49	838.39
February	633.25	981.39	6.80	961.21	846.82
March	634.98	956.99	6.70	949.03	824.27
April	637.38	974.68	6.53	950.98	828.72
May	640.13	979.34	6.35	950.67	831.41
June	641.66	993.12	6.59	963.37	846.19
Fiscal year average	629.04	986.39	7.23	953.49	813.95

Source : BNR

Stock of External Public Debt, Government guaranteed debt excluded.
(in USD million)

Appendix 17

DESCRIPTION	2005	2006	2007	2008	2009	2010	2011	End June 2012	End June 2013
MULTILATERAL DEBT	1,402.82	390.02	485.66	580.53	628.26	651.14	832.99	841.66	895.28
ADB-ADF	294.60	69.33	102.16	135.49	157.88	172.59	210.62	213.33	234.61
BADEA	18.46	21.47	25.44	25.77	26.49	29.33	34.03	33.56	32.67
EIB	16.56	15.30	14.48	11.39	8.90	6.39	5.03	3.66	2.57
EU	18.54	19.54	20.67	18.78	17.82	15.25	13.89	12.90	12.44
IFAD	58.86	73.61	85.96	92.61	99.74	103.05	107.07	107.58	106.38
IMF	4.90	4.29	8.10	11.47	15.19	14.82	14.13	13.59	12.03
IDA	975.53	168.43	205.30	240.38	253.30	258.25	391.55	401.11	435.54
NDF	0.00	0.56	2.08	12.71	16.54	16.40	16.08	15.33	16.28
OPEC	16.50	17.49	21.47	12.71	32.40	35.08	40.57	40.38	42.76
BILATERAL DEBT	83.99	89.52	84.19	85.20	108.34	115.45	151.66	163.02	206.23
AFD-FRANCE	3.96	4.40	4.92	4.74	4.79	3.66	2.12	1.36	0.00
CHINA	16.01	16.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00
EXIM-CHINA	0.00	0.00	0.00	0.00	6.17	10.36	28.60	30.70	56.02
EXIM-INDIA	0.00	0.00	0.00	0.00	16.00	18.50	28.65	39.55	59.44
Abu Dhabi	1.84	1.85	1.85	1.85	1.85	1.85	2.99	2.99	2.96
KUWAIT	32.21	32.66	34.49	34.22	34.63	35.52	44.68	44.48	45.51
SAUDI FUND	29.63	33.74	42.58	44.04	44.54	45.22	44.28	44.59	41.96
LYBIA	0.33	0.34	0.36	0.35	0.36	0.35	0.35	0.34	0.34
EURO-BONDS									400.00
TOTAL	1486.81	479.54	569.85	665.73	736.60	766.59	984.65	1004.68	1501.51

Source: BNR



DEVELOPMENT OF DISBURSEMENTS
(in USD million)

Appendix 18

DESCRIPTION	2005	2006	2007	2008	2009	2010	2011	FY2011/12	FY2012/13
MULTILATERAL CREDITORS	101.5	105.2	79.4	110.6	51.2	43.3	197.5	146.9	84.3
Of which : IDA	46.3	36.7	27.6	40.5	10.5	10.1	138.2	94.7	44.6
FAD-FSN	36.9	27.6	26.2	32.08	22.6	16.0	39.0	35.8	30.7
BILATERAL CREDITORS	0.0	4.4	9.1	1.7	24.7	7.3	24.8	24.9	22.1
EURO-BONDS	-	-	-	-	-	-	-	-	400.0
TOTAL	101.5	109.5	88.5	112.3	75.9	50.7	222.2	171.8	506.4
Of Which :									
Drawings for projects	93.3	100.1	84.1	106.5	71.8	50.7	186.7	83.2	493.6
Drawings for budget support	8.2	6.9	1.0	2.07	0.5	0.0	35.5	88.6	12.9
Drawings for BOP support (IMF)	0.0	2.5	3.4	3.72	3.6	0.0	0.0	0.0	0.0

Source: BNR

DEVELOPMENT OF EXTERNAL DEBT SERVICE
(in USD million)

Appendix 19

DESCRIPTION	2005	2006	2007	2008	2009	2010	2011	FY2011/12	FY2012/13
MULTILATERAL DONORS	40.6	31.4	11.3	12.9	12.7	14.9	19.3	20.4	30.9
Principal	30.1	21.2	6.2	7.2	7.3	8.8	13.3	14.3	16.1
Of which : IDA	15.2	9.3	0.0	0.0	0.0	0.5	2.4	2.8	3.6
FAD-FSN	7.2	5.6	0.8	0.7	1.1	1.2	1.7	1.7	1.8
BADEA	3.5	0.0	0.0	0.0	0.0	0.0	1.0	1.1	1.0
Interests	10.5	10.2	5.0	5.7	5.4	6.2	4.4	6.1	14.9
Of which : IDA	8.0	5.0	1.5	1.7	1.6	1.9	2.3	2.5	3.2
FAD-FSN	0.8	3.1	1.3	1.6	1.5	1.6	1.6	1.7	2.0
BADEA	0.6	1.0	0.9	0.9	0.4	0.9	0.0	0.0	0.0
BILATERAL DONORS	9.1	2.7	1.3	1.4	1.8	2.9	4.4	4.9	6.8
Principal	6.2	1.7	0.3	0.3	0.3	1.2	2.3	2.5	2.7
Interests	2.9	1.0	1.1	1.2	1.6	1.7	2.2	2.4	4.2
SUPPLIERS' CREDITS	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Principal	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interests	0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EURO-BONDS									7.8
TOTAL	50.5	34.1	12.6	14.3	14.5	17.8	23.7	25.3	45.5
Principal	36.3	22.9	6.5	7.5	7.5	10.0	15.6	16.7	18.7
Interests	14.2	11.2	6.1	6.9	7.0	7.9	8.1	8.6	26.8

Source: BNR



BALANCE OF PAYMENTS (In USD million)

Appendix 20

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
Trade Balance	-228.7	-299.02	-404.39	-613.05	-768.08	-786.7	-1,101.6	-1,376.2	-1,195.6
Exports, f.o.b.	125.0	147.38	176.77	267.67	192.67	297.3	464.2	590.8	707.3
Of which: coffee	38.3	54.04	35.67	47.05	37.29	56.1	74.6	60.9	69.1
tea	24.4	31.86	31.52	44.95	48.71	55.7	63.9	65.7	63.9
Imports, f.o.b.	-353.6	-446.40	-581.16	-880.72	-960.75	-1084.0	-1565.8	-1967.0	-1902.9
Services and income (net)	-193.7	-160.95	-140.38	-135.67	-214.49	-288.7	-238.8	-167.0	-159.8
Services (net)	-166.5	-132.30	-123.16	-100.60	-177.70	-246.2	-187.0	-93.2	-83.5
Income (net)	-27.2	-28.66	-17.22	-35.06	-36.79	-42.5	-51.8	-73.8	-76.3
Trade and Services and income balance	-422.3	-459.97	-544.76	-748.71	-982.6	-1075.4	-1340.4	-1543.29	-1355.35
Current transfers (net)	364.5	325.54	461.32	518.57	604.0	657.3	880.5	722.46	800.71
Private	46.7	77.15	98.82	72.61	79.71	90.7	133.3	183.0	178.4
Public	317.8	248.39	362.50	445.96	524.31	566.6	747.2	539.5	622.4
Current account balance (including official transfers)	-57.82	-134.43	-83.45	-230.15	-378.56	-418.13	-459.84	-820.83	-554.64
Capital and Financial account balance	165.4	216.0	196.7	316.12	433.5	499.4	682.5	582.5	780.7
Capital Account	93.5	1400.08	92.04	210.06	200.00	285.6	196.7	171.2	149.0
<i>Capital transfers</i>	93.5	1400.08	92.04	210.06	200.00	285.6	196.7	171.2	149.0
Debt Forgiveness	0.0	1226.60	0.00	0.00	0.00	0.0	0.0	0.0	0.0
Migrants transfers	0.0	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.0
Other capital transfers	93.5	173.48	92.04	210.06	200.00	285.6	196.7	171.2	149.0
Financial transactions account	71.98	-1184.09	104.67	106.06	233.55	213.7	485.8	411.2	631.7
Public sector capital (LT) (net)	53.7	-1104.83	80.36	104.75	81.35	51.9	207.2	93.0	329.6
Private sector capital (LT) (net)	-4.6	25.34	81.43	89.94	160.7	161.8	278.6	318.3	302.1
Lt. Debt			3.39	9.48	42.72	129.0	148.8	123.56	113.07
Amortization			-4.24	-4.10	-0.7	-12.3	-55.2	-56.99	-69.86
Direct investment	10.5	30.6	82.28	84.56	118.7	63.7	137.5	166.59	175.61
Other Capital	22.9	-104.60	-57.13	-88.63	-8.49	-18.6	47.5	85.10	83.30
Short term capital	22.9	-104.60	-57.13	-88.63	-8.49	-18.6	47.5	85.10	83.30

Source : BNR

BALANCE OF PAYMENTS
(In USD million)

Appendix (Cont'd) 20

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
Errors & Omissions	11.53	-0.03	-2.66	-27.97	2.05	-9.16	11.88	25.92	-15.10
Overall balance	119.2	81.52	110.60	58.01	57.05	72.1	234.5	-212.4	211.0
Financing (- increase)	-119.2	-81.52	-110.60	-58.01	-57.05	-72.1	-234.5	212.4	-211.0
Change in net foreign assets of BNR (increase -)	-120.2	-81.52	-110.60	-58.01	-57.05	-72.1	-234.5	212.4	-211.0
a. Net use of IMF credit (increase +)	-6.7	2.52	3.40	3.70	3.56	0.0	-0.2	0.0	0.0
b. Change in gross reserves (increase -)	-93.5	-35.01	-114.37	-58.68	-159.51	-69.1	-251.8	206.3	-207.8
c. Change in other foreign liabilities (increase +)	-20.0	-49.03	0.37	0.67	102.47	-3.0	17.5	6.1	-3.2
Change in arrears (decrease -)	1.1	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.0
Exceptional financing	0.0	0.00	0.00	0.00	0.00	0.0	0.0	0.0	0.0
Rescheduling	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cancellation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GAP (+ financing needed)	0.0	0.00	0.00	-0.00	0.00	0.00			
For the record									
Gross official reserves (Mios USD)	405.7	439.62	552.40	598.5	742.42	813.4	1050	848.09	1,070.51
Foreign liabilities (Mios USD)	78.3	29.63	30.00	13.90	115.54	115.40	116.6	124.17	120.63
Gross reserves in month of imports G&S	7.6	6.8	7.0	5.1	6.2	6	5.8	4.16	5.09
Gross reserves in months of CAF imports of goods	10.3	8.92	8.60	6.12	7.08	7	7.7	4.63	5.61
Gross reserves in months of FOB imports of goods	13.8	11.82	11.41	8.16	9.34	9	8.0	5.78	7.01
Trade balance (in percent of GDP)	-8.9	-9.6	-10.8	-14.0	-16.7	-14	-18	-19	-16
Current account balance in percent of GDP (including official transfers)	-2.2%	-4.3%	-2.2%	-5.2%	-8.2%	-7%	-7%	-11.6%	-7.6%
Current account balance in percent of GDP (excluding official transfers)	-14.6%	-12.3%	-11.9%	-15.2%	-19.6%	-18%	-19.4%	-19%	-16%
Overall balance (in percent of GDP)	4.62	2.62	2.96	1.30	1.24	1.3	4.0	-3.0	3.0
GDP (millions \$US, Current)	2,581.21	3,110.92	3,740.71	4,455.84	4,611.49	5,628.34	6,231.95	7,102.95	7,322.16
GDP (FRW billion, current)	1,440	1,716	2,046	2,437,200	2,948,000	3,282	3,741.00	4363.3	4605.9
Exchange rate of 1 USD (FRW/1 USD), end period	553.83	548.65	545.45	558.900	571.24	594.45	604.14	631.41	641.66
Imports of goods and services	-639.81	-780.35	-944.95	-1401.18	-1450.26	-1640.55	-2184.23	2485.584	2,434.69
Exchange rate average (FRW/1 USD)	557.81	551.76	547.01	546.97	568.28	583.12	600.29	614.29	629.04
Gross official reserves (FRW billion)								535.49	686.9
Foreign liabilities (FRW billion)								78.4	77.4

Source : BNR



RWANDA's EXPORTS
(FOB value in USD million)

Appendix 21

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
I. Coffee									
Value	38.3	54.04	35.67	47.05	37.29	56.08	74.60	60.9	69.09
<i>in % of Total exports, f.o.b.</i>	30.6	36.7	20.18	18.28	19.75	19.00	16.00	10.3	9.8
% change of value	18.7	41.2	-33.99	31.51	-20.51	50.00	33.00	-18.0	
Volume (1,000 tons)	18,398.6	26,534.1	13,673.86	18,191.29	14,992.36	18,235.85	15,596.62	16,989.7	20,526.1
% change of volume	-32.1	44.2	-48.47	33.04	-0.18	22.00	-14.00	9.0	
Unit value (US\$/kg)	2.08	2.04	2.61	2.58	2.49	3.08	4.78	3.58	3.37
% change of unit value	74.8	-2.08	28.08	-1.15	-0.04	23.7	55.5	-25.0	
II. Tea									
Value	24.38	31.86	31.52	44.95	48.24	55.71	63.90	65.72	63.89
<i>in % of Total exports, f.o.b.</i>	19.51	21.62	17.83	15.61	25.80	19.00	14.00	11.1	9.0
% change of value	13.13	30.68	-1.09	27.08	21.63	15.00	15.00	2.9	
Volume (1,000 tons)	15,481	16,523.7	18,375.62	19,828.02	18,689.30	21,528.48	23,732.19	22,453.39	22,062.39
% change of volume	18.5	6.7	11.21	3.93	-0.01	15.20	10.20	-5.0	
Unit value (US\$/kg)	1.57	1.93	1.72	2.10	2.58	2.59	2.69	2.9	2.90
% change of unit value	-4.8	22.44	-11.06	22.28	0.23	0.20	4.00	8.7	
III. Minerals									
Value	37.30	36.57	70.62	91.69	55.43	67.85	151.43	136.07	186.31
<i>in % of Total exports, f.o.b.</i>	29.85	24.81	39.95	35.57	28.90	22.82	33.00	23.03	26.00
% change of value	27.4	-1.9	93.09	29.23	-40.20	22.00	123	-10.1	
Volume (1,000 tons)	6,150.49	5,995.15	8,220.98	7,009.98	6,093.54	5,466.35	8,848.38	7,531.89	8,412.53
% change of volume	34.5	-2.5	37.13	-14.73	-0.13	-10.29	62.00	-14.9	
Cassiterite									
Value	17.86	15.87	31.97	41.25	28.58	42.21	96.82	52.90	57.12
<i>in % of Total exports, f.o.b.</i>	14.29	10.76	18.09	16.04	15.14	14.19	21.00	8.95	8.00
% change of value	12.46	-11.14	101.52	28.70	-30.55	48	129	-45.36	
Volume (1,000 tons)	4,531.8	3,835.3	4,565.91	4,193.29	4,269.17	3,874.20	6,952.07	4,636.6	4,671.46
% change of volume	27.54	-15.37	19.05	-9.85	0.04	-0.09	79.00	-33.3	
Unit value (US\$/kg)	3.94	4.14	7.00	10.00	6.69	10.89	13.93	11.4	12.2
% change of unit value	-11.85	4.99	69.28	42.76	-33.04	0.63	28.00	-18.1	

Source : BNR

RWANDA's EXPORTS
(FOB value in USD million)

Appendix 21 (Cont'd)

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
Coltan									
Value	16.87	11.17	19.23	36.03	20.24	18.48	38.58	56.9	102.2
<i>in % of Total exports, f.o.b.</i>	13.50	7.58	10.88	14.50	10.72	0.06	8.00	9.63	14.00
% change of value	29.84	-33.76	72.10	93.51	-45.62	-8.66	109.00	47.5	
Volume (1,000 tons)	1,061.64	724.25	968.96	1,190.33	949.92	748.72	890.08	1,144.7	1,752.52
% change of volume	23.30	-31.78	33.79	26.16	-22.29	-0.21	19.00	28.6	
Unit value (US\$/kg)	15.89	15.43	19.85	30.44	21.30	24.69	43.35	49.7	58.3
% change of unit value	5.30	-2.90	28.63	53.38	-30.02	15.87	76.00	14.7	
Wolfram									
Value	2.58	9.53	19.42	13.41	5.76	7.10	16.03	26.26	26.96
<i>in % of Total exports, f.o.b.</i>	2.06	6.47	10.98	5.03	3.05	0.02	3.00	4.4	4.00
% change of value	536.01	270.11	103.67	-33.58	-55.34	23.25	125.73	63.9	
Volume (1,000 tons)	557.02	1,435.57	2,686.11	1,708.04	874.45	843.42	1,006.24	1,750.6	1,988.5
% change of volume	253.63	157.72	87.11	-37.78	-0.48	-0.04	19.00	74.0	
Unit value (US\$/kg)	4.62	6.64	7.23	7.72	6.59	8.42	15.93	15.0	13.6
% change of unit value	79.93	43.61	8.85	6.76	-14.64	27.78	89.00	-5.8	
Or									
Value				1.01	0.86	6.24			
<i>in % of Total exports, f.o.b.</i>						0.00			
% change of value						-92.73			
Volume (exported in tons)				0.04	0.03	0.00			
% change of volume									
Unit value (US\$/kg)						20,810.52			
% change of unit value									
IV . Hides and skins									
Value	4.73	1.99	3.56	2.85	1.96	3.74	7.62	14.4	16.68
<i>in % of Total exports, f.o.b.</i>	3.79	1.35	2.02	1.11	1.04	0.01	2.00	2.4	2.0
% change of value	39.82	-58.00	79.31	-20.06	-31.16	0.91	103.00	88.7	
Volume (1,000 tons)	3,183	1,160	1,805.60	2,043.60	1,791.68	3,730.87	6,220.43	10,025.1	10,913.9
% change of volume	48.01	-63.57	55.67	13.18	-0.12	1.08	67.00	61.2	
Unit value (US\$/kg)	1.49	1.71	1.97	1.39	1.09	1.00	1.22	1.43	1.53
% change of unit value	-5.30	15.29	15.18	-29.37	-21.48	-8.35	22.00	17.1	

Source : BNR



RWANDA's EXPORTS
(FOB value in USD million)

Appendix 21 (Cont'd)

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
<u>V. Pyrethrum</u>									
Value		1.92	3.00	0.38	0.64	1.41	4.51	9.7	9.0
in % of Total exports, f.o.b.	0.00	1.31	1.70	0.15	0.34	0.00	1.00	1.6	1.0
% change of value	-100.00		56.05	-87.25	68.08	118.50	221.00	115.1	
Volume (1,000 tons)		44.64	38.27	3.30	3.18	6.33	18.78	37.7	35.9
% change of volume	-100.00		-14.25	-91.39	-0.04	0.99	197.00	100.55	
Unit value (US\$/kg)		43.10	78.44	116.16	202.61	222.27	240.37	257.86	250.73
% change of unit value	-100.00		81.98	48.09	74.43	9.70	8.00	7.27	
<u>VI. Other products</u>									
Value	20.22	20.91	32.32	85.80	49.26	69.66	85.61	196.0	229.5
in % of Total exports, f.o.b.	16.18	14.19	18.28	32.06	25.57	23.43	18.44	33.17	32.5
% change of value	87.25	3.45	54.55	148.03	-37.48	41.42	23.00	128.92	
Other ordinary products	3.19	4.41	14.37	33.00	26.88	33.76	48.35	88.00	95.70
Reexports	17.03	16.50	17.95	52.81	22.38	35.90	37.26	108.0	133.83
Sub- Total	124.90	147.30	176.69	272.73	192.82	254.46	387.67	482.7	574.49
<u>VII. Adjustments</u>									
Electricity	0.08	0.08	0.08	0.09	0.12	0.11	0.21	0.1	0.1
Postal colis								-	
Carnets 126								-	
Goods purchased in the ports or airports						0.56	9.21	10.14	24.15
Reexports of minerals					11.12	25.17		-	
Ajustment in transport and insurance								-	
Ajustments on exports/ surveys					4.33	46.91	71.40	101.8	108.5
Ajustment on transport & Tea assurance				-5.15	-4.61	-4.77	-4.26	-4.0	
Total fob	124.98	147.38	176.77	267.67	192.67	297.28	464.24	590.75	707.30
% change	27.46	17.93	19.94	45.14	-28.02	26.53	56.16	27.25	

Source : BNR

RWANDA'S IMPORTS
(Value in USD million)

Appendix 22

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
I. Capital goods									
Value	109.9	126.8	202.5	367.29	372.40	357.56	465.35	589.46	593.00
in % of Total M CIF	23.31	21.44	26.28	31.29	28.67	24.98	23.82	26.79	26.00
% change of value	37.39	15.40	59.72	81.35	1.39	-3.98	30.14	26.67	
Volume (tons)	17,506.31	20,802.92	31,551.24	39,859.72	53,136.05	43,076.37	50,523.71	68,085.56	63,537.85
% change of volume	40.13	18.83	51.67	26.33	33.31	-0.19	17.28	34.75	
Unit value (US\$/kg)	6.28	6.10	6.42	9.21	7.01	8.30	9.21	8.66	9.33
% change of unit value	-1.96	-2.89	5.31	43.55	-5.89	0.18	10.96	-6.00	
II. Intermediate goods									
Value	111.16	146.15	189.91	323.87	332.46	381.97	526.55	622.67	637.49
in % of Total M CIF	23.58	24.71	24.64	27.59	24.75	26.69	25.84	25.86	28.00
% change of value	40.35	31.48	29.94	70.54	-3.31	14.89	37.85	18.25	
Volume (tons)	154,363	206,831	274,574	367,938	408,677	481,644	609,175.67	810,265.46	888,896.47
% change of volume	43.31	33.99	32.75	34.00	11.07	17.85	26.47	33.01	
Unit value (US\$/kg)	0.72	0.71	0.69	0.88	0.81	0.79	0.86	0.77	0.72
% change of unit value	-2.06	-1.88	-2.12	27.26	-16.66	-0.03	8.90	-11.09	
III. Energy products									
Value	78.16	108.56	115.65	161.49	177.97	210.84	345.57	361.55	387.80
in % of Total M CIF	16.58	18.36	15.01	13.76	16.50	0.15	17.69	16.43	17.00
% change of value	13.88	38.90	6.53	39.63	29.28	0.18	63.90	4.60	
Volume (tons)	128,819	172,818	183,252	186,722	189,347	195,785	220,493	253,238	271,045.45
% change of volume	4.49	34.16	6.04	1.89	0.01	0.03	12.62	14.85	
Unit value (US\$/kg)	0.61	0.63	0.63	0.86	0.94	1.08	1.57	1.43	1.43
% change of unit value	8.99	3.53	0.46	37.04	68.67	14.58	45.53	-8.90	

Source : BNR



RWANDA'S IMPORTS
(Value in USD million)

Appendix 22 (Cont'd)

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
IV. Consumer goods									
Value	131.17	166.54	229.10	284.08	363.99	439.01	553.11	626.29	672.18
in % of Total M CIF	27.83	28.16	29.73	24.20	27.06	31.59	28.31	28.46	29.00
% change of value	28.02	26.97	37.56	24.00	20.52	20.61	25.99	13.23	
Volume (tons)	120,855	173,743	285,259	253,662	359,314	468,472	453,195.56	576,955.22	622,107.85
% change of volume	10.66	43.76	64.18	-11.08	117.46	0.30	-3.26	27.30	
Unit value (US\$/kg)	1.09	0.96	0.80	1.12	1.01	0.94	1.22	1.04	1.08
% change of unit value	15.68	-11.68	-16.22	39.45	-10.42	-0.07	30.23	-14.62	
1. Food						10.77		9.47	
Value	35.26	47.93	71.76	87.07	122.72	154.18	207.63	227.89	235.58
in % of Total M CIF	7.48	8.10	9.31	7.42	9.16	10.77	10.63	9.47	10.00
% change of value	6.33	35.91	49.74	21.33	33.07	25.63	34.66	9.76	
Volume (tons)	79,854	122,832	223,979	172,073	265,599	372,488	343,936	432,908	470,468.65
% change of volume	5.43	53.82	82.35	-23.17	111.84	0.40	-8.00	25.86	
Unit value (US\$/kg)	0.44	0.39	0.32	0.51	0.46	0.41	0.60	0.53	0.50
% change of unit value	0.86	-11.65	-17.88	57.93	-9.53	-0.10	45.84	-12.79	
2.Others consumer goods									
Value	95.91	118.62	157.34	197.01	241.27	284.83	345.48	398.40	436.60
in % of Total M CIF	20.34	20.06	20.42	16.78	17.90	20.50	17.68	18.10	19.00
% change of value	38.40	23.68	32.64	25.22	14.98	18.05	21.29	15.31	
Volume (tons)	41,001	50,911	61,280	81,589	93,715	95,985	109,259.69	144,047.15	151,639.20
% change of volume	22.52	24.17	20.37	33.14	134.97	2.42	13.83	31.83	
Unit value (US\$/kg)	2.34	2.33	2.57	2.41	2.57	2.97	3.16	2.77	2.88
% change of unit value	12.96	-0.39	10.20	-5.95	6.62	15.26	6.55	-12.53	
S/TOTAL	430.37	548.06	737.19	1,136.73	1,246.81	1,389.38	1,890.58	2,199.97	2,290.48
Var en %	30.31	27.35	34.51	54.20	10.00	11.43	36.07	16.36	

Source : BNR

RWANDA'S IMPORTS
(Value in USD million)

Appendix 22 (Cont'd)

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
V. <u>Ajustment</u>									
Valeur	41.03	43.32	33.46	37.24	61.64	41.66	147.50	207.68	71.16
in % of Total M CIF	8.70	7.32	4.34	3.17	4.94	2.99	7.80	9.44	3.00
electricity	5.57	11.00	12.10	2.29	2.28	2.85	0.19	2.21	4.42
in % of Total M CIF	1.18	1.86	1.57	0.19	0.00	0.00	0.00		
Parcel post	1.36	1.36	1.36	0.06			0.00	0.00	
Autres (dont)	34.1	31.0	20.0	34.89	59.35	38.81	147.32	205.47	66.74
<i>126 BIS</i>	34.1	22.4	11.0	11.49	13.50		0.00	0.00	
in % of total M CIF	7.23	3.79	2.58	3.18			0.00	0.00	
<i>Oil purchased in the aeport</i>		3.62	3.50	0.94	2.22	3.72	14.50	36.52	52.87
<i>Reexport non included</i>	--	12.7	11.00	43.82	27.10	35.90	46.29	107.99	
<i>Embassies' imports</i>		-7.75	-5.50	-21.36	-18.97	-22.04	-21.90	-11.03	-6.64
ICBT					23.52	21.23	23.51	22.63	20.51
Imports of TIGO 55					14.20		84.92	49.36	
in % of Total M CIF									
VI. <u>Import cif</u>	471.40	591.38	770.65	1,173.98	1,308.45	1,431.04	2,038.09	2,407.65	2,361.64
% change	28.17	25.45	30.31	52.34	11.45	9.40	36.49	16.88	
VII. <u>Freight and insurance</u>	117.76	144.98	189.49	293.26	311.45	347.07	472.27	440.65	458.78
In % du Clf	24.98	24.98	24.98	24.98	24.98	24.98	24.98	20.03	20.03
% change of ratio	0.00	0.00	0.00	0.00	0.00		0.00	0.00	
VIII. <u>Total fob</u>	353.64	446.40	581.16	880.72	997.00	1,083.97	1,565.82	1,967.00	1,902.86
% change	28.17	26.23	30.19	51.54	13.00	8.72	44.00	25.62	

Source : BNR



SERVICES AND INCOME
(In USD million)

Appendix 23

SERVICES	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
Services and income (net)	-193.67	-160.95	-140.38	-135.67	-218.41	-288.74	-238.78	-167.04	-159.79
Services (net)	-166.46	-132.30	-123.16	-100.60	-181.62	-246.22	-186.98	-93.23	-83.49
Credit	119.71	201.65	240.63	419.86	341.05	310.36	431.43	425.36	448.34
Freight and insurance	7.01	4.22	5.23	5.15	4.61	4.77	4.26	4.03	4.74
Other transportation	17.76	16.41	24.58	37.74	49.04	21.68	45.64	54.81	51.74
Travel	48.76	131.84	151.63	186.00	174.46	201.65	251.80	281.80	296.50
Others services	46.17	49.19	59.19	190.97	112.94	82.26	129.73	84.72	95.37
- Operating cost of embassies	37.64	37.19	39.99	81.87	92.14	65.97	75.68	66.31	72.16
- privates (incl: post, communicat, ICT...)	8.53	12.00	19.19	109.10	20.81	16.30	54.05	18.41	23.20
Debit	-286.17	-333.95	-363.79	-520.46	-522.66	-556.57	-618.41	-518.59	-531.83
Freight and insurance	-83.61	-101.34	-134.53	-208.21	-246.05	-293.68	-352.25	-270.12	-297.68
Other transportation	-38.21	-42.63	-50.50	-75.75	-76.03	-43.19	-52.96	-53.72	-44.61
Travel	-36.75	-41.29	-46.66	-69.99	-71.83	-77.01	-39.00	-78.57	-62.04
Operating cost of embassies	-22.20	-28.93	-29.59	-17.90	-15.45	-17.80	-17.80	-20.51	-22.22
Technical assistance	-88.47	-94.98	-71.95	-106.69	-78.96	-96.54	-71.17	-72.83	-81.60
technical assistance (PIP)	-38.14	-43.37	-45.17	-79.12	-50.00	-71.41	-44.41	-42.81	-37.25
technical assistance (humanitarian aids)	-50.32	-51.61	-26.78	-27.58	-28.96	-25.13	-26.76	-30.03	-44.36
Other private services (incl: post, ICT, Communicat.)	-16.94	-24.79	-30.55	-41.91	-34.35	-28.36	-85.23	-22.83	-23.67
Income (net)	-27.21	-28.66	-17.22	-35.06	-36.79	-42.52	-51.80	-73.82	-76.30
Credit	15.45	24.62	25.44	28.27	14.91	16.13	20.06	10.70	13.81
Investment income	15.20	20.63	21.35	23.72	10.42	7.86	12.01	3.57	2.37
- Official investment(BNR)	11.67	18.79	19.90	20.00	8.45	6.12	9.02	3.34	2.14
- Banks investment	1.57	1.05	1.46	1.78	1.89	1.73	0.69	0.23	0.23
- Dividends	1.96	0.79	0.00	1.94	0.08	0.01	2.30	0.00	0.00
Labor services income	0.24	3.99	4.09	4.49	4.49	8.26	8.03	7.14	11.44
Property income	0.00	0.00	0.00	0.05	0.00	0.01	0.02	0.00	0.00

Source : BNR

SERVICES AND INCOME
(In USD million)

Appendix 23 (Cont'd)

SERVICES	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
Debit	-42.7	-53.27	-42.66	-63.33	-51.71	-58.65	-71.86	-84.52	-90.11
Income paid on directs investments	-3.61	-9.06	-9.29	-16.42	-4.66	-3.74	-12.10	0.00	0.98
1. Dividendes	-3.61	-9.06	-9.29	-15.36	-4.66	-3.74	-12.10	0.00	0.98
2. Interest paid or reinvested on private invstments	0.00	0.00	0.00	-1.06	0.00	0.00	0.00	0.00	0.00
Income paid on others investments	-17.89	-13.63	-7.33	-7.74	-9.41	-11.97	-13.07	-33.47	-54.86
Public sectorl	-17.02	-12.14	-6.18	-6.93	-7.27	-7.83	-8.11	-9.20	-19.53
- Interest due on public external debt	-14.20	-11.45	-6.15	-6.88	-7.06	-7.83	-8.11	-9.20	-11.78
- Interest due on resccheduling. (consolidated amount: 7/98-5/2001)					0.00	0.00	0.00	0.00	0.00
- Interest due on new public external debt					0.00	0.00	0.00	0.00	-7.75
- Interest on IMF debt by BNR	-0.90	-0.69	-0.03	-0.05	0.00	0.00	0.00	0.00	0.00
- Interest on others debt (BNB)	-1.92	0.00	0.00	0.00	-0.21	0.00	0.00	0.00	0.00
Private sector	-0.88	-1.49	-1.15	-0.81	-2.15	-4.14	-4.95	-24.27	-35.33
Labor services Income	-20.68	-30.07	-25.50	-37.95	-36.40	-42.92	-46.69	-50.19	-35.73
Property income	-0.48	-0.51	-0.54	-1.23	-1.23	-0.02	-0.00	-0.86	-0.50

Source : BNR



TRANSFERS
(In USD million)

Appendix 24

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
Current transfers (net)	364.52	325.54	461.32	518.57	604.02	657.36	880.52	722.46	800.71
Current private transfers(net)	46.73	77.15	98.82	72.61	79.71	90.68	133.32	182.95	178.36
<i>Credit</i>	61.78	97.88	131.17	108.51	122.93	133.80	197.45	247.16	246.00
<i>Debit</i>	15.06	20.72	32.35	35.90	43.22	43.12	-64.13	-64.20	-67.65
Remittances from Diaspora	-5.20	8.22	69.48	31.07	53.09	65.07	110.18	118.25	114.67
<i>Credit</i>	8.63	25.01	98.50	63.31	88.13	98.21	166.18	175.27	174.65
<i>Debit</i>	13.83	16.78	29.02	32.24	35.04	33.14	-56.00	-57.01	-59.97
Private transfers for churchs and associations	51.93	68.93	29.34	41.54	26.62	25.61	23.14	64.70	63.68
<i>Credit</i>	53.15	72.87	32.67	45.20	34.80	35.59	31.27	71.89	71.35
<i>Debit</i>	1.22	3.94	3.33	3.67	8.18	9.98	-8.13	-7.19	-7.67
Current officials transfers (net)	317.79	248.39	362.50	445.96	524.31	566.68	747.20	539.51	622.35
<i>Credit</i>	320.28	251.13	366.38	450.08	531.67	580.04	757.62	553.80	633.86
1. current support net	200.12	128.35	259.27	339.76	415.84	479.52	628.39	433.70	510.70
of which HIPC Initiative	31.99	21.97	4.50	5.60	5.21	4.53	4.53	4.79	5.08
2.Social security benefits	2.54						22.19		0.20
3. humanitarian aid	120.16	122.77	107.11	110.32	115.84	100.52	107.03	120.11	122.95
a. technical assistance	50.32	51.61	26.78	27.58	27.62	25.13	26.76	30.03	30.74
b. other humanitarian aid	71.41	71.16	80.33	82.74	82.85	75.39	80.27	90.08	92.21
Debit (of which contribution to internat. Organ.)	-2.49	-2.74	-3.88	-4.12	-7.36	-13.36	-10.41	-14.30	-11.51

Source : BNR

CAPITAL AND FINANCIAL ACCOUNT
(In USD million)

Appendix 25

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
Capital and Financial account balance	165.45	215.98	196.70	316.12	433.55	499.36	682.50	582.47	780.70
Capital Account	93.47	1400.08	92.04	210.06	200.00	285.64	196.66	171.23	148.98
Capital transfers	93.47	1400.08	92.04	210.06	200.00	285.64	196.66	171.23	148.98
Debt Forgiveness	0.00	1,226.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a. Arrears (principal+interest)							0.00	0.00	0.00
b. Current service (principal + interest)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Principal not yet due forgiven (principal)		1226.60					0.00	0.00	0.00
capital transfers in kind							0.00	0.00	0.00
Other capital transfers (dons d'appui au PIP)	93.47	173.48	92.04	210.06	200.00	285.64	177.65	171.23	148.98
a. Capital (projects)	70.10	130.11	69.03	157.55	150.00	214.23	133.24	128.42	111.74
b. technical Assistance	23.37	43.37	23.01	52.52	50.00	71.41	44.41	42.81	37.25
Acquisitions and assignments of non financial assets							19.02		
Financial transactions account	71.98	-1184.1	104.67	106.06	226.80	213.72	485.84	411.24	631.72
Long Term capital	49.12	-1079.49	161.80	194.69	235.29	232.35	438.33	326.15	548.42
I. Public sector capital (LT) (net)	53.68	-1104.83	80.36	104.75	81.35	51.90	207.21	92.98	329.60
Credit	89.98	68.07	88.66	112.20	88.80	61.71	222.20	110.32	532.69
Current	30.88	14.83	0.00	5.80	0.00	0.00	124.06	13.42	26.27
Projects (PIP)	59.10	53.24	88.66	106.40	88.80	61.71	98.14	96.90	506.42
- capital	44.33	39.93	66.50	79.80	66.60	46.29	98.14		
- technical assistance	14.78	13.31	22.17	26.60	22.20	15.43			
Drawings on new loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a. Rescheduling of existing debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Rescheduling of arrears							0.00	0.00	0.00
c. Rescheduling of non due debt							0.00	0.00	0.00
Debit	-36.30	-1172.90	-8.30	-7.45	-7.45	-9.81	-14.99	-17.34	-203.09
Scheduled amortization	-36.30	-22.90	-8.30	-7.45	-7.45	-9.81	-14.99	-17.34	-203.09
Dont a. Principal due cancelled							0.00	0.00	0.00
b. Principal due rescheduled							0.00	0.00	0.00
Pcpl non due rescheduled							0.00	0.00	0.00
Pcpl non due cancelled							0.00	0.00	0.00
Souscript. au cap. des org.inter. non monétaires	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MDRI relief from IDA and AfDF		-1150.0							

Source : BNR



CAPITAL AND FINANCIAL ACCOUNT
(In USD million)

Appendix 25 (Cont'd)

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
II. Private (net)	-4.56	25.34	81.43	89.94	153.94	180.45	231.12	233.16	218.81
Lt. Debt	0.69	0.6	3.4	9.5	42.72	129.02	148.78	123.56	113.07
Amortization	-5.25	-5.9	-4.2	-4.1	-7.450	-12.289	-55.16	-56.99	-69.86
Investments	10.50	30.64	82.28	84.56	118.67	63.71	137.50	166.59	175.61
a. direct investment	10.50	30.6	82.28	103.35	118.67	42.33	106.21	159.81	165.84
b. portfolio investment			0.00	-18.79	0	21.38	31.29	6.77	9.77
III. Other capital	22.86	-104.60	-57.13	-88.63	-8.49	-18.63	47.51	85.10	83.30
Short term capital	22.86	-104.60	-57.13	-88.63	-8.49	-18.63	47.51	85.10	83.30
a. Commercial Credits	8.50	4.1	37.5	-0.6	1.02	9.86	0.00	0.00	0.00
b. Commercial banks (Change in NFA of comm banks)(-aug)	14.36	-34.55	-9.43	-15.62	-9.51	-28.49	-2.49	5.10	3.30
c. Other capital		-74.10	-85.20	-72.41	0.00	0.00	50.00	80.00	80.00

Source : BNR

Available Financing
(In USD million)

Appendix 26

	2005	2006	2007	2008	2009	2010	2011	2012	FY 12/13
Financing (- increase)	-119.2	-81.5	-110.7	-54.3	-57.0	-72.1	-234.5	212.4	-211.0
Change in net foreign assets of BNR (increase -)	-120.2	-81.5	-110.7	-54.3	-57.0	-72.1	-234.5	212.4	-211.0
a.Net use of IMF credit (increase +)	-6.7	2.5	3.3	3.7	3.56	0.00	-0.2	0.0	0.0
1. disbursements/purchases	1.7	2.5	3.3	3.7	3.56	0.00	0.37	0.0	0.0
2. repayments/repurchases	-8.4	0.00	0.0	0.0	0.0	0.0	-0.6	0.0	0.0
b.Change in gross reserves (increase -)	-93.5	-35.01	-114.4	-58.7	-159.5	-69.1	-251.8	206.3	-207.8
c.Change in other foreign liabilities (increase +)	-20.0	-49.03	0.4	0.67	102.47	-2.99	17.5	6.1	-3.2
Change in arrears (decrease -)	1.1	0.0	0.0	0.0	0.0	0.0	0.00	0.0	
Accumulation	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cancellation (Kow Funds)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
: other bilateral	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Exceptional financing	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.0	0.0
Rescheduling	0.0	0.0	0.0	0.0	0.0	0.0	0.00	0.0	0.0
Stock of Arrears (Fonds Kow)	0.0	0.0	0.0	0.0	0	0	0.0	0.0	0.0
Current debt service (bilatéraux:Paris club et Fonds Kow):	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current debt service (OPEC)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cancellation									
Stock of Arrears	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Current Debt service	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source : BNR



National Bank of Rwanda
P.O Box 531 Kigali, Rwanda
Tel.: +250 (0) 252574282, Fax: +250 (0) 252577391
E-mail: bnr@bnr.rw
Swiftcode: BNRWRWRW