



National Bank of Ethiopia



| 2016 |
| 2017 | Annual Report

Prepared by: Domestic Economic Analysis and Publication Directorate
National Bank of Ethiopia

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Addis Ababa, Ethiopia

Currency and Time

Currency

Currency Unit: Birr (Br)
Exchange Rate: Look at page 66

Time

Fiscal Year: July 8th to July 7th
Coffee Year: October to September
Calendar Year: September 11 to September 10

** There is a difference of about 7^{3/4} Years between the Gregorian and the Ethiopian Calendar.

NBE BOARD OF DIRECTORS



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Directorate)



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(Director, Legal Services
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Ato Sisay Gebru
(Director, Ethiopian
Institute of Financial
Studies)

Table of Contents

Ethiopia: Macroeconomic and Social Indicators

Governor's Note	1
I. The overall Economic Performance	3
1.1: Economic Growth	4
1.2: GDP by Expenditure Components	7
1.3: Micro and Small-Scale Enterprises	8
1.4: Access to Water Supply	10
1.5: Road Sector Development	11
1.5.1: Road Network	11
1.5.2: Road Density	12
1.5.3: Road Accessibility	13
1.5.4: Road Sector Financing	13
1.6: Developments in Education Sector.....	14
1.7: Telecommunication	16
II. Energy Production	19
2.1: Electric Power Generation	20
2.2: Volume and Value of Petroleum Imports	21
III. Price Developments	23
3.1: Developments in Consumer Price at National Level	24
3.2: Consumer Price Developments in Regional States	25
IV. Monetary and Financial Developments	28
4.1: Monetary Developments and Policy	29
4.1.1: Developments in Monetary Aggregates	29
4.1.2: Developments in Reserve Money and Monetary Ratios	30
4.2: Developments in Interest Rate	32
4.3: Developments in Financial Sector	33
4.3.1: Resource Mobilization	36
4.3.2: New Lending Activities	37
4.3.3: Outstanding Loans	38
4.4: Financial Activities of NBE	40
4.5: Developments in Financial Markets	40
4.5.1: Treasury Bills Market	40
4.5.2: NBE Bill Market	42
4.5.3: Bonds Market	42
4.5.4: Inter-bank Money Market	43
V. Developments in External Sector	44
5.1: Over all balance of payments	45
5.2 : Developments and merchandise trade	46

5.2.1: Balance of Trade	46
5.2.2: Merchandise Export	46
5.2.3: Import of Goods	50
5.2.4: Direction of Trade	52
5.3 : Services and Transfers	61
5.3.1: Services	55
5.3.2 : Unrequited Transfers	56
5.4: Current Account	57
5.5: Capital Account	57
5.6: Changes in Reserve Position	57
5.7: External Debt	57
5.8: Developments in Foreign Exchange Markets	58
5.8.1: Developments in Nominal Exchange Rate	58
5.8.2: Movements in Real Effective Exchange Rate	59
5.8.3: Foreign Exchange Transactions	60
VI. General Government Finance	62
6.1: General	63
6.2: Revenue and Grants	63
6.3: Expenditure	65
6.4: Deficit Financing	66
VII. Investment	67
7.1: Investment by Sector	69
7.2: Distribution by Region	71
VIII. International Developments	72
8.1: International Economic Developments	73
8.1.1: Overview of the World Economy	73
8.1.2: World Trade	75
8.1.3: Inflation and Commodity Prices	75
8.1.4: Exchange Rate	75
8.2: Implications for Ethiopia	76
OPERATIONAL RESULTS OF THE NATIONAL BANK OF ETHIOPIA	77
STATISTICAL TABLES	98

ETHIOPIA: MACROECONOMIC AND SOCIAL INDICATORS

Indicators	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
1. Country Profile																		
Land Area (total, in Sq.Km)	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million	1.14 million
Arable Land (% of total area)	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.0	45.00	45.00	45.00	NA	NA	NA	NA	NA
Irrigated Land (% of total area)	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	NA	NA	NA	NA	NA	NA	NA	NA
Population Density (person per sq.km)*	85.6	88.1	90.7	93.2	95.8	99.7	101.2	99.6	102.1	104.7	107.40	110.14	112.94	115.76	118.61	121.50		
2. Social Indicators																		
Population total, in millions (Mid-Year population)	60.00	61.60	63.20	64.80	66.50	68.30	70.00	72.40	74.90	76.8	78.80	80.70	82.7	84.8	87.0	89.1	91.2	93.4
(o/w Urban Population, in %)	14.9	15.1	15.33	15.5	15.8	15.97	16.21	16.45	17	16.14	16.30	16.10	16.3	18.6	19.0	19.5	19.9	20.3
Working Age Population (in Millions)																		
Urban	5.6	6.1	6.4	6.5	7	6.95	7.6	7.6	8.0	8.4	8.92	9.43	10.0	10.5	11.1	11.6	12.2	12.8
Rural	28.00	28.8	29.8	30.54	31.4	32.6	33.2	32.9	31.3	33.0	33.89	34.83	35.8	36.8	37.7	38.7	39.7	40.8
Total	33.8	34.9	36.2	37.04	38.4	39.6	40.7	40.6	39.3	41.4	42.82	44.26	45.7	47.3	48.8	50.4	52.0	53.6
Age Dependency Ratio	87.8	87.2	86.0	86.6	85.2	84.7	84.3	84.3	93	93	93.00	93.00	93.0	75.0	75.0	75.0	75.0	75.0
Life Expectancy at Birth (Male - Female)	50.9-53.0	53.4-55.4	53.4-55.4	53.4-55.4	53-55	53.42-55.42	55.6-57.9	55.6-57.9	53.4-55.4	53.4-55.4	53.4-55.4	58.4-60.4	53.4-55.4	60.2-64.2	60.2-64.2	60.2-64.2	60.2-64.2	60.2-64.2
Crude Birth Rate	44.2:1,000	39.9:1,000	39.9:1,000	39.9:1,000	39.9:1,000	35.7:1,000	36.8:1,000	36.8:1,000	35.7:1,000	35.7:1,000	35.7:1,000	33.6:1,000	33.6:1,000	30.3:1,000	30.3:1,000	30.3:1,000	30.3:1,000	30.3:1,000
Crude Death Rate	15:1,000	12.6:1,000	12.6:1,000	12.6:1,000	12.6:1,000	12.6:1,000	10.8:1,000	10.8:1,000	10.8:1,000	NA	NA	9.2:1,000	9.2:1,000	7.2:1,000	7.2:1,000	7.2:1,000	7.2:1,000	7.2:1,000
Natural Rate of Population Increase (in %)	2.9	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.7	2.60	2.40	2.40	2.31	2.31	2.31	2.31	2.31
Total Fertility Rate	6.5child/w	5.8child/w	5.8child/w	5.8child/w	5.8child/w	5.4child/w	5.4child/w	5.4child/w	5.4child/w	5.4child/w	5 child/w	4.8child/w	4.8child/w	3.94child/w	3.94child/w	3.94child/w	3.94child/w	3.94child/w
People : Hospital Beds	5.273:1	6,086:4:1	5740:4:1	6479:2:1	5721:4:1	5273.5:1	5028:1	5293:1	5698:1	5082:1	7815:1	NA	NA	2516:1	NA	NA	2850:1	2980:1
People : Physician ¹	50.273:2:1	47,836:0:1	35604:1	34005:1	36954:1	29777:1	35493:1	49888:1	36374:1	36175:1	56013:1	53642:1	28847:1	32132:1	20970:1	17160:1	14045:1	22766:1
People : Nurse ¹	9,458:5:1	8,461:0:1	5236:0:1	4879:1	4621:1	3956:8:1	4206:1	4601:1	4524:1	3870:1	3012:1	2762:1	2299:1	1884:1	1995:1	1999:0:100	1999:1	1194:1
Infant Mortality Rate	110:1,000	97:1,000	97:1,001	97:1,002	97:1,003	80:1,000	80:1,000	80:1,000	77:1,000	77:1,000	77:1,000	73:1,000	59:1,000	62.2:1,000	62.4:1,000	62.4:1,000	62.4:1,000	62.4:1,000
Access to Safe Water (in %)																		
Country Level	30.00	27.90	28.4	NA	35.9	45.6	47.3	52.5	59.5	66.2	68.50	73.30	58.3	68.5	76.7	84.0	61.0	66.0
Urban Population	72.00	91.70	75.7	NA	N.A	82	NA	82.0	86.2	88.6	91.50	92.50	78.7	81.3	84.2	91.0	52.5	55.0
Rural Population	24.00	17.10	19.9	NA	25.2	38.4	42.2	46.4	53.9	61.5	65.80	71.30	55.2	66.5	75.5	82.0	63.1	68.0
Student-Teacher Ratio																		
Primary (1-8)	56:1	61:1	63:1	64:1	65:1	66:1	62:1	59:1	57:1	54:1	51:1	51:1	50:1	49:1	47:1	46:1	46:1	-
Secondary (9-12)	48:1	52:1	54:1	45:1	48:1	51:1	57:1	48:1	43:1	41:1	36:1	31:1	28:1	28:7:1	27.8:1	26.4:1	26.5:1	-
Technical & Vocational	7.6:1	9:1	17:1	25:1	22:1	21:1	20:1	27:1	25:1	34:1	NA	29:1	24:7:1	18.6:1	16.5:1	16.5:1	12.6:1	-
Student-School Ratio																		
Primary (1-8)	563:1	6175:1	674:0:1	701:1	724:1	690:1	654:1	677:1	657:1	619:1	573:1	590:1	576:1	571:1	571:1	744:9:1	573:1	-
Secondary (9-12)	982:1	1,531.2:1	1,681.0:1	1,222:1	1,312:1	1,350:1	1,425:1	1,440:1	1,381:1	1,345:1	1,270:1	1,160:1	1,033:1	994:1	857:1	369:1	767:2:1	-
Technical & Vocational	267:1	264.9:1	271.0:1	333:1	552:1	534:1	468:1	493:1	501:1	673:1	788:1	735:1	654:1	544:1	545:1	383:1	523:1	-
3. Macroeconomic Indicators																		
3.1 Real sector Development²																		
GDP at Current Market Price (in Mn. Birr)	65,986.0	67,351.0	65,895.0	72,703.0	85,800.0	105,415.0	130,334.0	170,281.0	245,836.0	332,060.0	379,135.00	515,078.5	747,326.5	865,921.1	1,060,825.4	1,297,961.4	1,528,044.2	1,806,656.0
Nominal GDP Growth Rate (in %)	9.0	2.1	(2.2)	10.3	18.0	22.9	23.6	30.6	44.4	35.1	14.18	35.9	45.1	15.3	22.4	22.4	18.2	17.9
Average Marginal Exchange Rate (Birr per USD)	8.1400	8.3300	8.5400	8.5800	8.6300	8.6518	8.6810	8.7943	9.2400	10.4200	12.89	16.1	17.3	18.3	19.1	20.1	21.1	22.4
GDP at Current Market Price (in Mn. USD)	8,106.4	8,085.4	7,716.0	8,473.5	9,942.1	12,184.2	15,013.7	19,362.7	26,605.6	31,867.6	29,413.11	31,957.1	43,314.2	47,424.6	55,628.0	64,575.2	72,419.2	80,605.0

Continued....

Indicators	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	(1992)	(1993)	(1994)	(1995)	(1996)	(1997)	(1998)	(1999)	(2000)	(2001)	(2002)	(2003)	(2004)	(2005)	(2006)	(2007)	(2008)	(2009)
Nominal GDP per Capita (In USD)	135.1	131.3	122.1	130.8	149.5	178.4	214.5	267.4	355.2	415	373.26	396.1	523.5	559.1	639.6	725.0	794.0	863.0
Real GDP per Capita (In Birr)	3,313.8	3,495.7	3,458.8	3,300.5	3,652.6	3,976.7	4,300.5	4,634.2	4,962.8	5,266.1	5,776.60	5,895.00	6,947.5	7,299.1	7,625.2	8,571.2	8,864.0	18,257.5
Real GDP per Capita Growth Rate (In %)	4.8	5.5	(1.1)	(4.6)	10.7	8.9	8.1	7.8	7.1	6.1	9.69	9.00	6.1	5.1	4.5	12.4	3.4	8.0
GDP Deflator (% change)	6.9	(5.8)	(3.6)	12.8	3.9	9.9	11.6	17.2	30.3	24.2	1.70	20.08	33.5	4.9	11.0	10.8	9.5	6.3
Real GDP at constant basic price (In Mn. Birr)	184,625.4	198,320.9	201,561.3	197,331.5	220,477.2	248,354.8	277,013.3	309,686.8	344,331.9	378,907.4	418,946.95	475,647.50	517,026.5	568,432.3	626,977.4	692,221.7	747,309.2	1,577,107.0
Real GDP at constant market price (In Mn. Birr)	198,827.1	215,332.6	218,594.3	213,870.3	242,897.6	271,605.2	301,032.7	335,519.0	371,716.7	404,437.0	455,196.02	515,078.50	559,621.6	618,842.2	682,358.5	753,229.7	810,187.2	1,699,193.6
Real GDP Growth Rate (In %)	3.4	7.4	1.6	(2.1)	11.7	12.6	11.5	11.8	11.2	10.0	10.57	11.40	8.7	9.9	10.3	10.4	8.0	10.9
Agriculture & Allied Activities(In Billion Birr)	102.1	111.9	109.8	98.3	115.0	130.5	144.8	158.5	170.3	181.2	195.00	212.50	222.9	238.8	251.8	267.8	274.0	573.1
Industrial Sector (In Billion Birr)	17.7	18.6	20.2	21.4	23.7	25.9	28.4	30.6	33.9	37.3	41.99	49.80	59.6	73.9	86.5	103.7	125.0	404.3
Service Sector(In Billion Birr)	69.4	72.9	75.3	79.4	84.2	94.6	107.6	124.1	144.1	163.9	185.10	216.60	237.4	258.8	292.5	325.0	353.0	620.2
Agriculture & Allied Activities (% of GDP)	55.3	56.4	53.7	49.4	51.6	51.9	51.5	50.5	48.8	47.3	46.13	44.37	43.1	42.0	40.2	38.7	36.7	36.3
Industrial Sector (% of GDP)	9.7	9.5	10.0	11.0	10.9	10.6	10.4	10.2	10.1	10.1	10.17	10.40	11.5	13.0	13.8	15.0	16.7	25.6
Service Sector (% of GDP)	37.0	36.3	36.3	39.6	37.5	37.5	38.0	39.3	41.0	42.6	43.70	45.23	45.9	45.5	46.6	47.0	47.3	39.3
Private Consumption Expenditure	45,611.0	47,981.0	49,319.0	56,765.0	60,866.0	81,445.0	102,537.0	130,118.0	197,461.0	268,002.0	309,132.00	373,088.50	541,536.3	636,901.3	744,978.0	896,208.0	1,037,277.0	1,147,628.0
Government Consumption Expenditure	12,615.0	10,543.0	10,448.0	10,422.0	11,973.0	13,971.0	17,016.0	19,123.0	25,782.0	31,544.0	34,801.00	53,147.10	62,044.5	77,636.9	98,121.0	116,995.0	148,837.0	222,865.0
Investment	14,647.0	15,870.7	17,395.0	17,669.0	24,902.0	27,409.0	35,952.0	41,227.0	60,156.0	82,560.0	102,403.00	165,380.00	277,243.7	295,456.4	402,922.0	511,618.0	588,705.0	704,596.0
Exports	8,010.0	8,146.0	8,389.0	9,779.0	12,913.6	16,076.9	18,205.4	21,854.2	28,317.0	35,233.0	52,168.00	85,949.80	102,887.0	108,227.1	123,496.0	121,532.2	122,366.0	139,805.0
Imports	15,952.8	16,108.4	17,706.8	20,131.3	27,366.8	37,776.3	48,092.4	55,088.7	76,564.0	96,285.0	126,319.00	162,486.80	236,384.7	251,300.6	308,691.3	393,189.0	424,528.0	428,400.0
Resource Balance	-7,942.8	-7,962.4	-9,317.8	-10,352.3	-14,453.2	-21,699.4	-29,887.0	-33,234.4	-48,247.0	-61,052.0	(74,151.00)	(76,537.00)	(133,498.0)	(143,073.5)	(185,195.3)	(271,656.0)	(302,163.0)	(288,595.0)
Gross Private Consumption (% of GDP)	69.1	71.2	74.8	78.1	70.9	77.3	78.7	76.4	80.3	80.7	81.54	72.43	72.5	73.5	70.2	69.0	67.9	63.5
Gross Government Consumption (% of GDP)	19.1	15.7	15.9	14.3	14.0	13.3	13.1	11.2	10.5	9.5	9.18	10.32	8.3	9.0	9.2	9.0	9.7	12.3
Gross Domestic Fixed Investment (% of GDP)	22.2	23.6	26.4	24.3	29.0	26.0	27.6	24.2	24.5	24.9	27.01	32.11	37.1	34.1	38.0	39.4	38.5	39.0
Resource Balance (% of GDP)	-12.0	-11.8	-14.1	-14.2	-16.8	-20.6	-22.9	-19.5	-19.6	-18.4	(19.56)	(14.86)	(17.9)	(16.5)	(17.5)	(20.9)	(19.8)	(16.0)
3.2 Monetary Indicators																		
Narrow Money Supply (M1) (In Mn. Birr)	13,050.2	13,745.8	15,182.4	16,446.7	19,065.9	21,289.8	23,811.9	29,775.4	36,875.5	42,112.7	52,434.6	76,171.00	94,849.88	114,745.69	134,063.78	154,706.34	178,609.66	216,769.62
Broad Money Supply (M2) (In Mn. Birr)	22,177.8	24,516.2	27,322.0	30,090.1	34,655.9	40,212.1	46,377.4	56,860.3	69,918.2	82,509.8	104,432.4	145,376.97	189,398.78	235,313.59	297,746.59	371,328.91	445,266.25	573,384.05
Net Foreign Assets (In Mn. Birr)	4,770.6	4,800.0	7,822.5	11,049.2	11,766.9	13,868.0	12,109.6	13,927.3	12,140.6	17,976.8	27,189.8	55,534.68	39,787.69	45,648.53	45,972.30	37,570.95	21,524.19	38,034.79
Reserve Requirement (CBs)	924.1	1,081.8	1,163.9	1,320.3	1,549.35	1,828.4	2,120.9	2,592.5	9,112.9	11,183.3	14,368.0	20,495.20	18,080.56	11,708.82	14,479.39	18,250.35	21,745.43	28,278.91
Interest Rate (In %)																		
Minimum Deposit Rate	6	6	3	3	3	3	3	4	4	4.0	4.0	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Lending Rate	10.5-13.5	10.5-15.0	8.0-10.5	8.0-10.5	8.0-10.5	7-14	7-14	7-14	8-15	8-16.5	12-25	11.88	11.88	11.88	11.88	11.88	12.75	12.75
Total Net Domestic Credit (In mn. Birr)	26,271.0	27,551.2	27,550.2	28,202.3	31,138.781	40,905.8	49,959.9	61,855.0	80,772.6	89,203.0	104,413.5	135,553.87	189,080.81	233,404.32	300,026.58	393,421.73	490,230.35	631,092.73
Government	14,775.7	15,171.0	15,985.1	17,229.8	19,199.154	21,663.8	25,266.4	30,902.2	34,169.2	32,786.5	33,013.1	28,651.65	21,557.41	21,965.52	26,929.74	30,735.25	47,548.36	85,441.85
Other Sectors	11,495.3	12,380.6	11,565.1	10,972.6	11,939.627	18,642.0	24,029.6	31,294.8	46,603.4	56,416.5	71,400.4	106,902.22	167,523.40	211,438.80	273,096.84	362,686.48	442,681.99	545,650.89

Continued

Indicators	1999/00 (1992)	2000/01 (1993)	2001/02 (1994)	2002/03 (1995)	2003/04 (1996)	2004/05 (1997)	2005/06 (1998)	2006/07 (1999)	2007/08 (2000)	2008/09 (2001)	2009/10 (2002)	2010/11 (2003)	2011/12 (2004)	2012/13 (2005)	2013/14 (2006)	2014/15 (2007)	2015/16 (2008)	2016/17 (2009)
3.3 Inflation (CPI growth rate)²																		
Country Level																		
-General inflation	5.4	-0.3	-10.6	10.9	7.3	6.1	10.6	15.8	25.3	36.4	2.8	18.1	34.1	13.5	8.1	7.7	9.7	7.2
-Food inflation	7.6	-1.7	-19.1	21.5	11.5	7.4	13.0	17.5	34.9	44.2	-5.4	15.7	42.9	12.6	5.9	7.4	11.2	7.4
-Non-Food inflation (core inflation)	2.5	1.4	0.3	0.2	2.2	4.4	7.1	13.5	12.5	23.8	18.2	21.8	22.4	14.8	10.6	7.9	8.1	7.0
Addis Ababa																		
-General inflation	4.2	-1.4	-5.5	4.6	5.6	7.2	8.4	19.2	20.8	29.4	10.1	19.4	24.8	12.6	8.5	7.6	10.3	3.0
-Food inflation	7.2	-7.8	-10.7	9.4	8.6	5.7	13.0	25.4	32.1	41.5	4.1	14.8	30.6	13.1	4.6	12.2	16.6	1.3
-Non-Food inflation (core inflation)	0.6	5.6	-0.8	0.9	3.0	7.6	4.6	14.0	12.7	19.2	16.0	23.5	21.1	11.9	11.4	4.4	5.8	4.3
3.4 External Trade(In Mn.USD)																		
Export of goods & services	984	979.1	982.7	1150.6	1520.6	1895.8	2149.5	2498.1	3127.9	3399.5	4050.33	5343.12	5993.41	5978.47	6451.62	6057.81	6077.30	6257.16
Import of goods & services	1,959.8	1,936.4	2,073.1	2,408.7	3,259.8	4,439.6	5,602.7	6,254.2	8,326.9	9,292.3	9,858.40	10,160.72	13,805.17	13,864.19	16,197.24	19,848.9	20,533.8	19,699.2
Net trade in goods & services	-975.8	-957.3	-1,090.4	-1,258.1	-1,739.3	-2,543.8	-3,453.2	-3,756.1	-5,199.0	-5,892.8	-5,808.4	-4,817.6	-7,811.8	-7,885.7	-9,745.6	-13,791.1	-14,476.5	-13,442.0
Current account balance including official transfers	(334.8)	(242.4)	(361.0)	-93.8	-401.5	-771.3	-1,470.9	-991.3	-1,492.4	-1,634.7	-1,193.2	-201.9	-2,778.0	-2,780.3	-4,168.1	-7,401.6	-6,656.9	-6,528.4
Capital account balance	151.7	258.6	509.0	368.6	386.7	491.9	614.3	760.4	1,031.5	1,648	2,421.02	2,995.93	2,283.28	3,291.23	4,134.57	8,285.61	6,509.19	6,831.49
Overall balance of payments	(393.7)	(70.5)	300.2	1,381.894676	389.5463487	66.40934667	37	29.98	-251.6939401	18.7	316.68	1,384.20	(972.79)	(6.52)	(96.89)	(521.41)	(830.86)	658.62
3.5 Government Finance (In Mn. Birr⁴)																		
Total Revenue (including grants)	11,222.0	12,805.0	12,833.0	15,703.0	17,918.0	20,147.0	23,225.0	29,381.0	39,705.0	40,421.9	66,237.44	85,611.00	115,658.50	137,192.00	158,076.52	199,639.11	243,671.56	269,105.94
Total Revenue (excluding grants)	9,498.0	10,177.0	10,409.0	11,149.0	13,917.0	15,582.0	19,493.0	21,797.0	29,794.0	31,924.0	53,861.34	69,120.00	102,863.65	124,077.00	146,172.77	186,618.69	230,657.28	256,629.04
o/w Tax-Revenue	6,782.0	7,440.0	7,926.0	8,243.0	10,906.0	12,980.0	14,122.0	17,554.0	23,801.0	23,216.2	43,315.36	58,981.00	85,739.86	107,010.30	133,118.26	165,312.47	189,717.18	210,135.85
Tax-Revenue as % of GDP	10.3	11.0	12.0	11.3	12.7	11.8	10.8	10.2	9.7	7.0	11.42	11.45	11.47	12.50	12.71	13.37	12.40	11.6
Total Expenditures	17,183.6	15,786.4	17,651.0	20,517.0	20,520.0	24,803.0	29,252.0	35,607.0	46,915.0	43,875.2	71,334.79	93,831.00	124,416.72	153,929.00	185,471.78	230,521.18	272,990.09	329,286.84
Current Expenditures	13,741.6	10,379.0	10,550.0	13,549.0	11,977.0	13,235.0	15,234.0	17,165.0	22,794.0	26,915.5	32,012.38	40,535.00	51,445.45	62,745.80	78,086.90	113,375.50	131,902.78	176,703.00
Capital Expenditures	3,442.0	5,003.4	6,130.0	6,313.0	8,271.0	11,343.0	14,042.0	18,398.0	24,121.0	17,559.7	39,322.41	53,297.00	72,971.26	91,182.90	107,384.88	117,145.68	141,027.31	152,583.83
Equity Contribution (Sinking Fund)																		
Special Programs	-	404.0	971	655	272	224.0	50.0	44.0	0.0	0.0	0.0	-	-	-	-	-	-	-
Total Expenditures as % of GDP	26.0	23.4	26.8	28.2	23.9	23.5	22.5	20.9	19.1	13.2	18.8	18.2	16.6	18.1	17.7	17.8	17.9	18.2
Current Surplus/Deficit	-4,243.6	-202.0	-141.0	-2,400.0	1,940.0	6,652.7	4,259.0	4,632.0	7,000.0	5,608.5	34,225.1	45,076.5	64,213.0	74,447.0	79,989.6	86,263.6	111,768.8	92,402.9
Overall Budget Deficit (including grants)	-5,961.6	-2,981.4	-4,818.0	4,815.0	-2,602.0	-4,655.0	-6,100.0	-6,226.0	-7,210.0	-3,453.3	-5,097.4	(8,220.2)	(8,758.2)	(16,736.0)	(27,395.3)	(30,882.1)	(29,258.5)	(60,180.9)
Deficit as % of GDP	-9.0	-4.4	-7.3	6.6	-3.0	-4.4	-4.7	-3.7	-2.9	-1.0	-1.3	-1.6	-1.2	-2.0	-2.6	-2.4	-1.9	-3.3
Overall Budget Deficit (excluding grants)	-7,685.6	-5,609.4	-7,242.0	-9,368.0	-6,603.0	-9,220.0	-9,832.0	-13,810.0	-17,121.0	-11,951.1	-17,473.5	(24,711.5)	(21,553.1)	(29,851.0)	(39,299.0)	(43,902.5)	(42,272.8)	(72,657.8)
Deficit as % of GDP	-11.6	-8.3	-11.0	-12.9	-7.7	-8.7	-7.5	-8.1	-7.0	-3.6	-4.6	-4.8	-2.9	-3.5	-3.8	-3.5	-2.8	-4.0

Continued

Indicators		1999/00 (1992)	2000/01 (1993)	2001/02 (1994)	2002/03 (1995)	2003/04 (1996)	2004/05 (1997)	2005/06 (1998)	2006/07 (1999)	2007/08 (2000)	2008/09 (2001)	2009/10 (2002)	2010/11 (2003)	2011/12 (2004)	2012/13 (2005)	2013/14 (2006)	2014/15 (2007)	2015/16 (2008)	2016/17 (2009)
3.6 Exchange Rate (Birr/ USD)																			
Inter-Bank Forex Market Rate ^e																			
* Period weighted Average		8.20	8.42	8.543	8.581	8.635	8.652	8.681	8.794	9.244	10.4205	12.8909	16.1178	17.2536	18.1947	19.0748	20.0956	21.1059	22.4137
* End period		8.22	8.46	8.566	8.600	8.630	8.660	8.69	9.030	9.610	11.3009	13.5321	16.9081	17.7305	18.6426	19.5771	20.5659	21.8004	23.1081
3.7 Treasury Bill Market (In Mn. Birr)																			
T-Bills Demanded (Total)		18,322.8	19,205.5	26,089.1	38,633.6	61,143.2	56,896.2	60,603.5	78,922.0	59,888.5	46,767.2	51,258.02	55,760.03	77,194.80	109,184.60	113,527.98	136,536.80	161,575.34	225,321.24
T-Bills Sold		13,311.2	9,322.9	16,453.2	29,668.0	51,645.0	41,065.0	47,793.5	63,315.0	47,716.5	27,839.8	41,736.42	52,316.03	74,694.80	109,184.60	95,314.98	110,593.30	161,475.24	225,321.24
Average Weighted Yield (in %)		3.3	2.8	2.0	1.3	0.5	0.095	0.038	0.530	0.677	0.743	0.79	1.13	1.87	1.89	1.60	1.43	1.44	1.42
T-Bills Outstanding by holder		1,951.5	3,372.5	4,478.2	9,100.0	12,485	6,595	11,638.5	11,546	8,239.5	7,783.1	11,566.20	10,706.62	20,011.86	26,044.90	32,286.86	41,704.80	57,352.56	73,271.56
Banks		804.7	1,924.0	3,425.5	8,094.3	11,418	6,295	10,612.3	9,135	2,739	1,672	4,400.00	900.00	2,383.50	3,436.00	-	-	-	-
Non-Banks		1,146.8	1,448.5	1,052.7	1,005.7	1,067	300	1,026.2	2,411	5,500.5	6,111.1	7,166.20	9,896.62	17,628.40	22,608.90	32,286.86	41,704.80	57,352.56	73,271.56
3.8 Inter Bank Money Market Rate^e		11	8	7.5	7.5	7.5	-	-	7.5	8.5	-	-	-	-	-	-	-	-	-
3.9 Financial Institutions																			
Number of Commercial Banks		8	8	8	8	9	9	10	11	11	12	14.00	17.00	17.00	18.00	18.00	18.00	18.00	18.00
(o/w Private banks)		7	7	7	7	7	7	8	9	9	10	12.00	14.00	16.00	16.00	16.00	16.00	16.00	16.00
Number of Bank Branches		267	283	295	339	358	389	421	487	562	636	681.00	970.00	1,289.00	1,724.00	2,208.00	2,693.00	3,301.00	4,257.00
Population : Bank Branch		224719:1	217668:1	214237:1	191150:1	185754:2:1	175778:4:1	166,270.8:1	148,665.3:1	133,274:1	120,754.7:1	115,712.2:1	83,195.9:1	64,158.3:1	49,674.8:1	41,088	33,448.00	27,932.00	22,164.00
Number of Insurance Companies		9	9	9	9	9	9	9	9	10	12	12.00	14.00	15.00	16.00	17.00	17.00	17.00	17.00
(o/w Private Insurance Companies)		8	8	8	8	8	8	8	8	9	11	11.00	13.00	14.00	15.00	16.00	16.00	16.00	16.00
Number of Insurance Branches		91	95	101	105	121	133	139	146	172	194	207.00	221.00	243.00	273.00	332.00	377	426	492.00
Population : Insurance Branch		659341:1	648421:1	625743:1	617143:1	549587:1	513534:1	503597:1	495890:1	435465:1	395876:1	383844:1	366063:1	340329:1	314428.9:1	264918.8:1	238928:1	216443:1	191772:1
Number of Development Banks		1	1	1	1	1	1	1	1	1	1	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Number of Development Bank Branches		32	32	32	32	32	32	32	32	32	32	32.00	32.00	32.00	32.00	32.00	32	110	110.00
Number of Micro-financial Institutions		16	19	21	22	22	26	27	28	28	30	30.00	31.00	31.00	31.00	31.00	35.00	35.00	35.00

Note:-

*population is estimated using component method after 2006/2007

1. Excluding manpower out side the Ministry of Health.

2. The GDP data series is revised on basis of 2010/11=100 base year

3. Inflation data is calculated using the new base year (December 2011=100)

4. Figures for government finance are preliminary estimates from 1999/00 onwards.

5. Inter-bank money market was first introduced in Aug. 1998 and inter-bank forex market started as of September 1998, and the daily transactions introduced beginning from October 24, 2001.

*Mid-year population was obtained from MoFED

Governor's Note

1. The Ethiopian economy has recovered from the El Niño induced drought and regained its growth trajectory in 2016/17, registering a 10.9 percent expansion compared to 8 percent in 2015/16. This was made possible as a result of 18.6 percent growth in industrial output, 10.3 percent rise in service sector and 6.7 percent expansion in agriculture.

Accordingly, the share of industry in GDP rose sharply to 25.6 percent in 2016/17 from 16.7 percent while that of agriculture largely remained at around 36 percent. In contrast, the share of service sector dropped to 39.3 percent from 47.3 percent a year ago. This gradual but steady shift in the structure of the economy reflects the government's policy of developing manufacturing sector and promoting export-led growth while continuing to give due attention to modernizing the agriculture sector which has dominated for long the country's economic base.

2. Rapid and sustainable economic growth over the last 15 years has led to improvements in income inequality and poverty reduction. Accordingly the level of per capita income has reached USD 863 in 2016/17 compared to USD 784 last year. Poverty has declined to 22 percent from 38.7 percent in 2004/05. Investment to GDP ratio has increased to 39 percent and domestic savings to GDP ratio to 24.1 percent.
3. Despite the recent uptick, inflation has been kept within single digit level largely aided by tight monetary and prudent fiscal policy stance. Accordingly, the annual average headline inflation slowed down to 7.2 percent in 2016/17 from 9.7 percent registered in the preceding year primarily due to the decline in both food & non-alcoholic beverages inflation and non-food inflation. Annual headline inflation however, rose to 8.8 percent from 7.5 percent as food inflation increased by 4 percentage point despite 1.8 percentage point drop in non-food inflation.
4. Fiscal policy has been geared towards increasing tax revenue through strengthening tax



administration and enforcement, while covering a greater proportion of government expenditures from domestic resources. These government expenditures have largely focused on growth enhancing capital expenditure and pro-poor social spending programs and promoting safety nets. Thus, domestic revenue registered 11.3 percent annual growth while general government expenditure increased by 20.6 percent resulting in the budget deficit equivalent to 3.3 percent of GDP, compared to 3.5 percent of GDP target.

5. The National Bank of Ethiopia (NBE) with a view of maintaining inflation low and at single digit, has kept the growth of reserve money within the target by closely monitoring movements in domestic credit, including direct advance to the government. The Bank has also ensured the stability and predictability of the interest rate by setting the minimum deposit rate while allowing lending rate to be determined by market forces. This policy has resulted in increased saving mobilization and investment activities throughout the fiscal year.
6. Ethiopia has maintained managed floating exchange regime to ensure the competitiveness of the local currency. Accordingly, the Birr was allowed to depreciate by 6.2 percent in nominal terms against the US Dollar as a counter measure for the 7.9 percent appreciation of the real effective exchange rate largely due to strengthening of the US Dollar against major currencies and relatively low inflation in Ethiopia's major trading partner countries.

7. The Ethiopian financial sector has remained safe and sound besides being well capitalized and profitable. Commercial banks have opened 956 new branches in 2016/17 alone, which raised the total number of branches to 4,257 from 3,301 a year ago. Banks have also increased their deposit mobilization (by 29.8 percent), loan collection (by 25.9 percent) and loan disbursement (by 23.8 percent). Their non-performing loan was within the required level. Similarly, insurance companies and microfinance institutions have scaled up their services by expanding their network and product diversification. Capital goods finance companies have also stepped up their operation and there are visible signs of improvement.
8. Moreover the on-going financial inclusion strategy is bearing fruits not only in terms of increased financial intermediation but also in enhancing the use of electronic money and new financial products. The recently introduced National Financial Inclusion Strategy is expected to further improve access to finance and financial inclusion for a greater proportion of the society which is currently outside the reach of banking services. To mitigate potential risks, associated in this process, NBE has strengthened its monitoring and supervising operation using international standard toolkits.
9. FY 2016/17 has been a challenging year for Ethiopian's external sector particularly exports. Merchandise exports exhibited modest growth of 1.4 percent. Meanwhile, total merchandize import dropped by 5.5 percent due to slow down in capital goods import largely those related to public projects. Although, Ethiopia's external

sector performance saw a widening of current account deficit (including official transfers), its capital account and overall balance of payments recorded surpluses, specifically FDI showed a 27.6 percent. growth. Thus, the gross international reserve of the country was sufficient to cover 2.3 months of imports of next year.

10. In a nut shell, economic performance remained robust in 2016/17 as reflection of a strong commitment of the Ethiopian government to implement sound macroeconomic policies that ensure sustainable growth and help alleviate abject poverty. Notwithstanding poor export performance, most of the macroeconomic indicators were in line with the growth target set in GTP II. Against this backdrop, the economic prospects for 2017/18 are envisaged to remain positive despite some down side risks related to commodity price shocks, temporary inflation pressure and weather conditions.
11. In conclusion, I would like to express my whole hearted appreciation to all members of management team and staff of the NBE for their strong commitment shown in achieving the strategic objectives of the Bank and in contributing to macroeconomic stability and growth. I also take this opportunity to call upon them to double their efforts to achieve more positive outcomes and robust progress during FY 2017/18 and beyond.



TEKLEWOLD ATMARIO
GOVERNOR

I. The overall Economic Performance



I. The overall Economic Performance

1.1 Economic Growth¹

The Ethiopian economy which had exhibited 9.9 percent average annual growth during 2012/13-2016/17, registered 10.9 percent growth in 2016/17, depicting recovery from challenging macroeconomic and weather conditions of the previous year. The registered growth rate in real GDP was 0.2 percentage point lower than base case scenario GTPII target set for the fiscal year although it was significantly higher than 2.6 percent average growth estimated for Sub-Saharan Africa (World Economic Outlook Update, October 2017).

The growth in real GDP was mainly attributed to 10.3 percent growth in services, 6.7 percent in agriculture and 18.7 percent in industrial sectors (Table 1.1).

Nominal GDP per capita rose to USD 863 depicting 7.8 percent improvement over the previous year.

The Ethiopian economy is projected to grow 11.1 percent in 2017/18 in contrast to IMF's forecast of 3.7 percent growth for the world and 3.4 percent for Sub-Saharan Africa (SSA), (WEO, and October 2017)

Table 1.1: Sectoral Contributions to GDP and GDP Growth²

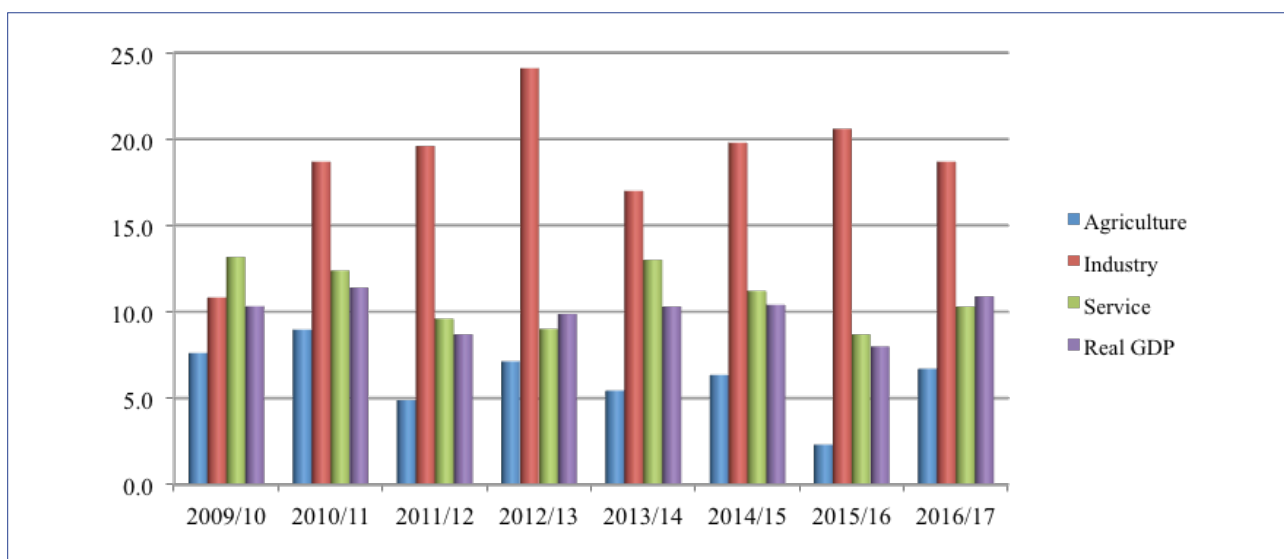
(In Billions of Birr)

Items		2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Sector	Agriculture	222.9	238.8	251.8	267.8	274.0	573.1
	Industry	59.6	73.9	86.5	103.7	125.0	404.3
	Services	237.0	259.0	292.0	325.0	353.0	620.2
Total		519.5	571.7	630.3	696.5	752.0	1,597.6
Less FISIM		3.0	3.0	4.0	4.0	5.0	20.5
Real GDP		517.0	568.0	627.0	692.0	747.0	1,577.1
Growth in Real GDP		8.7	9.9	10.3	10.4	8.0	10.9
Per capita GDP (USD) (Nominal)		523	559	640	725	794	863.0
Growth rate in Per capita GDP		32.2	6.8	14.4	13.4	9.5	7.8
Mid-year population(in millions)		82.7	84.8	87.0	89.1	91.2	93.4
Share in GDP (in %)	Agriculture	43.1	42.0	40.2	38.7	36.7	36.3
	Industry	11.5	13.0	13.8	15.0	16.7	25.6
	Service	45.9	45.5	46.6	47.0	47.3	39.3
Agriculture	Absolute Growth	4.9	7.1	5.4	6.4	2.3	6.7
	Contribution to GDP growth	2.2	3.1	2.3	2.5	0.9	2.5
	Contribution in %	25.3	31.2	22.3	24.0	11.3	22.9
Industry	Absolute Growth	19.6	24.1	17.0	19.8	20.6	18.7
	Contribution to GDP growth	2.1	2.8	2.2	2.7	3.1	4.4
	Contribution in %	24.1	27.9	21.4	26.0	38.8	40.4
Services	Absolute Growth	9.6	9.0	13.0	11.2	8.7	10.3
	Contribution to GDP growth	4.4	4.1	5.8	5.2	4.0	4.0
	Contribution in %	50.6	41	56.3	50.0	50.0	36.7

Source: National Planning Commission

¹ The real values of the economic sectors in 2016/17 were based on 2015/16 base year; and others are on 2010/11 fiscal year. As a result, there will be some adjustments when the rebasing of National Accounts Statistics is finalized.

² Ibid

Fig.I.1: Real GDP Growth by Major Sectors

Source: National Planning Commission

In 2016/17, the agricultural sector exhibited 6.7 percent growth rate which showed recovery from El-Nino effect of the previous year which merely saw 2.3 percent expansion. Yet, it was 1.3 percentage point lower than the 8 percent target for the year.

Total grain production during the fiscal year reached 290.4 million quintals, of which cereal production accounted for 87.4 percent, pulses 9.7 percent and oil seeds 2.9 percent. Cereals production went up by 9.8 percent over the preceding year owing to 2.5 percent

expansion in cultivated land area and improvement in productivity. Similarly, production of pulses and oilseeds improved by 1.6 and 6.9 percent though cultivated land area shrank by 6.2 and 6.3 percent, respectively during the same period (Table1.2).

Meanwhile, total land cultivated for crop production slightly increased to 12.6 million hectares, of which cereals production covered 81.3 percent, pulses 12.3 percent and oil seeds 6.4 percent (Table 1.2).

Table1.2: Estimates of Agricultural Production and Cultivated Areas of Major Grain Crops for Private Peasant Holdings-Meher Season

[Area in thousands of Hectares and Production in thousands of quintals]

Agricultural Production	2013/14		2014/15		2015/16		2016/17	
	Cultivated Area	Total Production	Cultivated Area	Total Production	Cultivated Area	Total Production	Cultivated Area	Total Production
Cereals	9,848	215,835	10,144	236,077	9,974	231,288	10,219	253,847
(Annual % Change)	2.6	9.8	3.0	9.4	-1.7	-2.0	2.5	9.8
Pulses	1,743	28,589	1,558	26,718	1,653	27,693	1,550	28,146
(Annual % Change)	-6.5	3.9	-10.6	-6.5	6.1	3.6	-6.2	1.6
Oilseeds	816.0	7,112.6	856	7,601	859.1	7,848.1	805	8,392
(Annual % Change)	-0.3	-2.1	4.9	6.9	0.4	3.3	-6.3	6.9
Total	12,406.6	251,536.4	12,558	270,396	12,486	266,829	12,574	290,386
(Annual % Change)	1.0	8.8	1.2	7.5	-0.6	-1.3	0.7	8.8

Source: Central Statistical Agency (CSA)

During 2016/17, the share of agriculture in GDP went down to 36.3 percent, more or less equivalent with GTPII target of 36.4 percent for the fiscal year. Likewise, the sector's contribution to GDP growth rate was 22.9 percent (Table 1.1). The lion's share of agricultural sector was crop production, comprising 65.3 percent, followed by animal farming & hunting (25.3 percent) and forestry (8.9 percent). In terms of growth rate, crop sub sector increased by 8.1 percent while animal farming & hunting and forestry improved by 4.5 and 3.5 percent, respectively (Table 1.3).

Industrial sector showed 18.7 percent annual growth and accounted for 25.6 percent of GDP. The sector contributed 40.4 percent to the overall economic growth during the fiscal year (Table 1.1) and its performance was more or less in line with GTPII target of 20.8 percent growth though its share was higher than 18 percent share targeted for the same period.

Manufacturing sector increased by 17.4 percent and constituted about 25 percent of industrial output. Construction industry, on the other hand, contributed more than half (70.9 percent) to industrial sector and expanded by 20.7 percent signifying the leading role the construction sector plays in terms of roads, railways, dams and residential houses expansion.

Electricity & water and mining & quarrying had 3 and 1.1 percent contribution to industrial production, respectively (Table 1.3).

Service sector continued to dominate the economy as its share in GDP was about 39.3 percent and its contribution to GDP growth reached 36.7 percent (Table 1.1). The 10.3 percent growth in service sector was largely attributed to the expansion of wholesale & retail trade (7.6 percent), public administration & defense (22.1 percent) and transport & communication (12.1 percent) (Table 1.3).

Table 1.3: Growth and Percentage Distribution of Major Agricultural, Industrial and Service Sub-sectors

Sectors		2012/13	2013/14	2014/15	2015/16	2016/17
Growth rate	Crop	8.2	6.6	7.2	3.4	8.1
	Animal Farming and Hunting	5.2	2.1	4.7	-1.5	4.5
	Forestry	3.3	4.2	3.5	2.2	3.5
	Fishing	19.4	32.5	30.6	0.1	0.5
Share in Agriculture	Crop	69.8	70.6	71.1	71.9	65.3
	Animal Farming and Hunting	21.3	20.6	20.3	19.5	25.3
	Forestry	8.8	8.7	8.4	8.4	8.9
	Fishing	0.1	0.2	0.2	0.2	0.2
Growth rate	Mining and Quarrying	6.3	-3.2	-25.6	-3.3	-29.8
	Manufacturing	16.9	16.6	18.2	18.4	17.4
	Electricity and Water	10.0	6.8	4.5	15.0	11.4
	Construction	38.7	23.9	31.6	25.0	20.7
Share in Industry	Mining and Quarrying	11.0	9.1	5.7	4.5	1.1
	Manufacturing	33.6	33.4	33.0	32.4	25.0
	Electricity and Water	8.3	7.6	6.6	6.3	3.0
	Construction	47.1	49.9	54.8	56.8	70.9
Growth rate	Whole Sale and Retail Trade	10.1	17.7	12.3	8.2	7.6
	Hotels and Restaurants	19.1	26.6	29.6	15.6	11.1
	Transport and Communications	16.5	12.7	13.3	13.7	12.1
	Real Estate, Renting and Business Activities	3.9	3.9	4.1	3.7	4.1
	Public Administration and Defense	7.6	11.0	6.0	7.4	22.1
	Others*	5.2	8.1	7.3	7.5	7.4
Share in Service	Whole Sale and Retail Trade	33.9	35.3	35.7	35.6	34.6
	Hotels and Restaurants	8.6	9.7	11.3	12.0	5.4
	Transport and Communications	10.1	10.1	10.2	10.7	12.5
	Real Estate, Renting and Business Activities	18.4	16.9	15.8	15.1	10.9
	Public Administration and Defense	11.0	10.8	10.3	10.2	12.5
	Others*	18.0	17.2	16.6	16.4	24.2

Source: National Planning Commission

* Includes: financial intermediation, education, health and social work, private households with employed persons and other community, social and personal services.

1.2. GDP by Expenditure Components

In 2016/17, total consumption expenditure (public and private) in percent of GDP slowed down to 75.9 percent from 77.6 percent last year mainly due to 4.4 percentage point decline in private consumption expenditure to GDP ratio despite 2.6 percentage point rise in government final consumption expenditure.

Consequently, gross domestic saving to GDP ratio rose to 24.1 percent from 22.4 percent in the previous

year, slightly higher than 23.8 percent GTPII target for the fiscal year (Table 1.4). Domestic saving increased by 27.6 percent while total consumption expenditure went up by 15.5 percent.

Meanwhile, gross capital formation to GDP ratio reached 39 percent showing 0.5 percentage point growth over last year, and domestic absorption stood at 114.9 percent of GDP.

Table: 1.4: Expenditure on GDP and Gross Domestic Savings (As Percentage of GDP)

Year	Domestic Absorption	Consumption Expenditure			Gross Capital Formation	Resource Balance	Exports of Goods & Services	Imports of Goods & Services	Gross Domestic Savings
		Total	Govt.	Pvt.					
2001/02	117.1	90.7	15.9	74.8	26.4	(14.1)	12.7	26.9	9.3
2002/03	116.7	92.4	14.3	78.1	24.3	(14.2)	13.5	27.7	7.6
2003/04	113.9	84.9	14.0	70.9	29.0	(16.8)	15.1	31.9	15.1
2004/05	116.5	90.5	13.3	77.3	26.0	(20.6)	15.3	35.8	9.5
2005/06	119.3	91.7	13.1	78.7	27.6	(22.9)	14.0	36.9	8.3
2006/07	111.9	87.6	11.2	76.4	24.2	(19.5)	12.8	32.4	12.4
2007/08	115.3	90.8	10.5	80.3	24.5	(19.6)	11.5	31.1	9.2
2008/09	115.1	90.2	9.5	80.7	24.9	(18.4)	10.6	29.0	9.8
2009/10	117.7	90.7	9.2	81.5	27.0	(19.6)	13.8	33.3	9.3
2010/11	114.9	82.8	10.3	72.4	32.1	(14.9)	16.7	31.5	17.2
2011/12	117.9	80.8	8.3	72.5	37.1	(17.9)	13.8	31.6	19.2
2012/13	116.5	82.4	9.0	73.5	34.1	(16.5)	12.5	29.0	17.6
2013/14	117.5	79.5	9.2	70.2	38.0	(17.5)	11.6	29.1	20.5
2014/15	117.5	78.1	9.0	69.0	39.4	(20.9)	9.4	30.3	21.9
2015/16	116.1	77.6	9.7	67.9	38.5	(19.8)	8.0	27.8	22.4
2016/17	114.9	75.9	12.3	63.5	39.0	(16.0)	7.7	23.7	24.1
Average 2012/13-2016/17	116.5	78.7	9.9	68.8	37.8	(18.1)	9.8	28.0	21.3
Average 2007/08-2016/17	116.3	82.9	9.7	73.2	33.5	(18.1)	11.6	29.7	17.1

Source: National Planning Commission

1.3: Micro and Small-Scale Enterprises

During 2016/17 alone, a total of 157,768 new micro and small scale enterprises (MSEs) employing about 1.2 million people were established. These enterprises received more than Birr 7.1 billion in loans to own their operations.

Table 1.5: Numbers, Amount of Credit and Jobs Created through MSEs

(Credit in Millions of Birr)

Particulars	2014/15	2015/16	2016/17
No. of MSE's	271,519	190,587	157,768
Amount of credit	6,541.88	5,366.55	7,075.77
No of Total employment	2,788,667	1,665,517	1,172,678

Source: Federal Urban Job Creation and Food Security Agency

Table 1.6: Numbers, Amount of Credit and Jobs Created through MSEs by Region

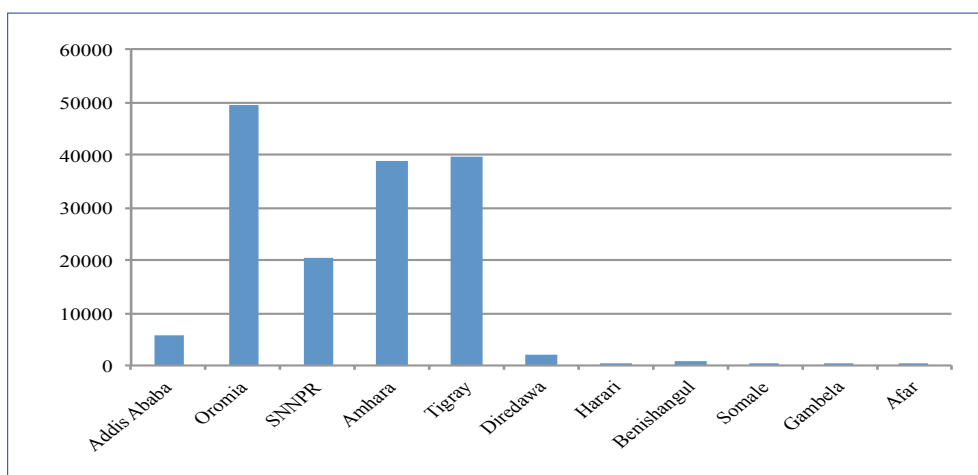
(Credit in Millions of Birr)

Particulars	Addis Ababa	Oromia	SNNPR	Amhara	Tigray	Dire Dawa	Harari	Benishangul	Somali	Gambela	Afar	Total
No. of MSEs	5,540	49,373	20,474	38,692	39,600	1,938	359	969	380	426	17	157,768
Amount of credit	1,641.3	1,133.6	361.7	2,750.3	882.8	160.3	29.2	1.1	114.9	NA	0.7	7,075.8
No. of total Employment created by MSEs	80,966	474,592	202,675	187,514	164,157	23,201	8,947	8,530	16,905	3,479	1,712	1,172,678
Regional Percentage Share												
No. of MSEs	3.5	31.3	13.0	24.5	25.1	1.2	0.2	0.6	0.2	0.3	0.0	100.0
Amount of credit	23.2	16.0	5.1	38.9	12.5	2.3	0.4	0.0	1.6	NA	0.0	100.0
No. of total Employment created by MSEs	6.9	40.5	17.3	16.0	14.0	2.0	0.8	0.7	1.4	0.3	0.1	100.0

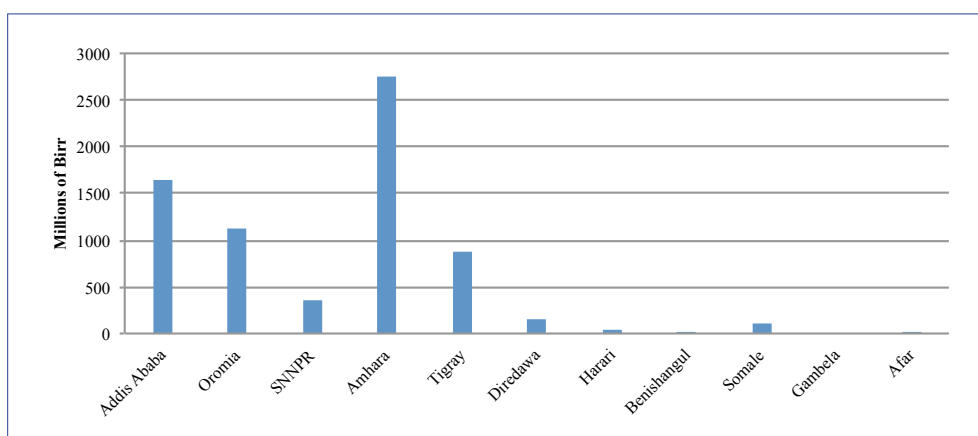
Source: FeUJCFSA

In terms of regional distribution, 31.3 percent of the newly established MSEs were located in Oromia followed by Tigray (25.1 percent), Amhara (24.5 percent), SNNPR (13 percent) and Addis Ababa (3.5 percent). With respect to total loans, SMEs in Amhara received 38.9 percent, in Addis Ababa 23.2 percent, in Oromia 16 percent, in Tigray 12.5 percent, and in SNNPR 5.1 percent.

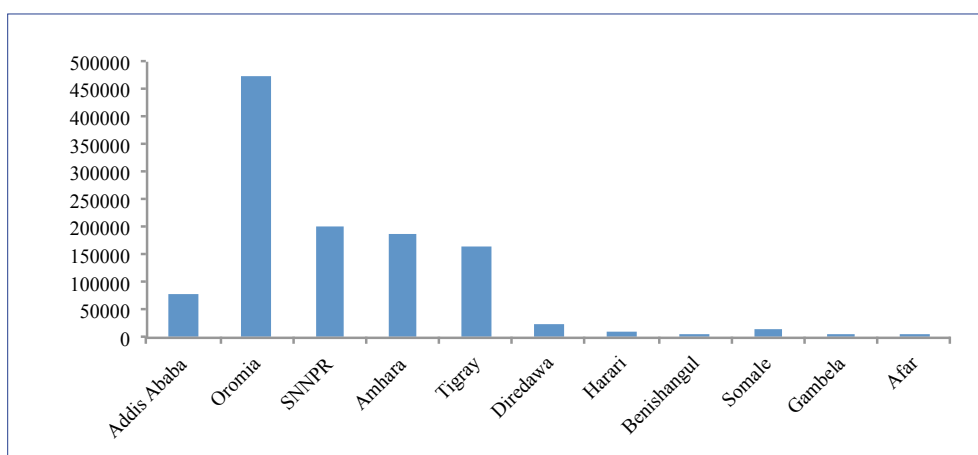
These enterprises created jobs. Of the total jobs created by these enterprises, about 40.5 percent was in Oromia, 17.3 percent in SNNPR, 16 percent in Amhara, 14 percent in Tigray and 6.9 percent in Addis Ababa.

Fig.I.1: Yearly Distribution of Numbers of MSEs during 2016/17

Source: FeUJCFSA

Fig.I.2: Yearly Distribution of Amount of Credit during 2014/15 and 2015/16

Source: FeUJCFSA

Fig.I.3: Yearly Distribution of Employment Created during 2016/17

Source: FeUJCFSA

1.4. Access to Water Supply

During 2016/17, the proportion of people having access to potable water supply improved by 5 percentage point to 66 percent (68 percent rural and 55 percent urban population); relative to 61 percent (63.1 percent rural and 52.5 percent urban people) coverage a year earlier. In other words, rural areas had relatively better access than the urban areas due to difference in newly depicted standards by the ministry of water, Irrigation and Energy.

Against GTP II annual target for the year 2016/17, urban potable water supply coverage showed 5 percentage point shortfall while that of rural area was 1 percent. GTP II has set potable water supply coverage for the fiscal year at 67 percent.

In terms of percentage of people with access to potable water, Afar region had 46 percent accessibility

to potable water registered the lowest percentage while that of Addis Ababa was (92 percent) followed by Amhara (75 percent), and Harari and Somali (66 percent each).

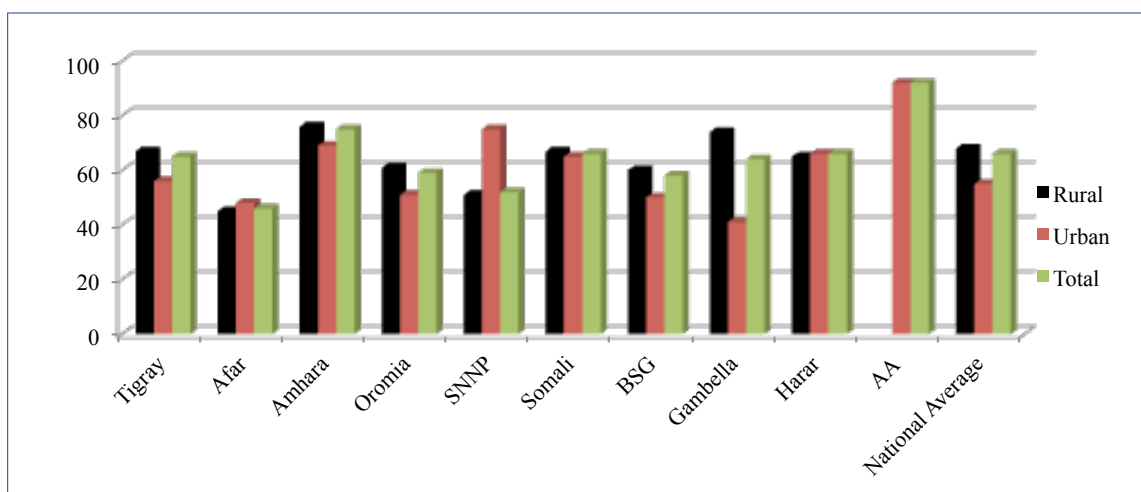
In terms of access to potable water in urban areas, Addis Ababa had the leading share of 92 percent followed by SNNPR (75 percent), Amhara (69 percent) and Harari (66 percent), Somali (61 percent), Tigray (56 percent), Oromia (51 percent), Benishangul Gumuz (50 percent) and Gambella (41 percent).

In terms of rural population, despite some improvement in access to potable water, Afar and SNNPR registered the lowest performance 45 and 51 percent respectively. On the other hand, Dire Dawa saw the highest performance of 78 percent followed by Amhara (76 percent), Gambella (74 percent), Tigray and Somali (67 percent), Harari (65 percent), and Oromia (61 percent) (Table 1.7).

Table 1.7: Percentages of People with Access to Potable Water by Region

Regions	2015/16			2016/17			Change in percentage point		
	Rural	Urban	Total	Rural	Urban	Total			
	A	B	C	D	E	E	D-A	E-B	F-C
Tigray	55.0	54.0	54.2	67.0	56.0	65.0	12.0	2.0	10.8
Afar	34.0	39.0	36.0	45.0	48.0	46.0	11.0	9.0	10.0
Amhara	65.8	59.9	65.0	76.0	69.0	75.0	10.2	9.1	10.0
Oromia	54.6	45.5	53.3	61.0	51.0	59.0	6.4	5.5	5.7
SNNPR	47.1	73.7	49.4	51.0	75.0	52.0	3.9	1.3	2.6
Somali	45.6	51.2	46.4	67.0	65.0	66.0	21.4	13.8	19.6
B.Gumuz	54.4	45.8	52.6	60.0	50.0	58.0	5.6	4.2	5.4
Gambella	63.2	34.5	55.9	74.0	41.0	64.0	10.8	6.5	8.1
Harar	60.0	67.0	63.3	65.0	66.0	66.0	5.0	-1.0	2.7
D. Dawa	71.5	55.0	61.1	78.0	NA	NA	6.5		
AA		92.0	92.0		92.0	92.0	0.0	0.0	0.0
Total	63.1	52.5	61.0	68.0	55.0	66.0	4.9	2.5	5.0

Source: Ministry of Water, Irrigation and Energy and NBE Staff Computation

Fig.I.5: Access to water supply by Region

Source: Ministry of Water, Irrigation and Energy; and NBE Staff Computation

1.5 Road Sector Development

1.5.1 Road Network

In 2016/17, total road network reached 120,171 Km, showing a 6.3 percent annual expansion. The country's total road network was consisted of 52,748 Km (43.9 percent) Woreda road, 33,367 Km (27.8 percent) rural road, 28,699 Km (23.9 percent) federal road and 5,357 Km (4.4 percent) urban road. The Federal road included 15,886 Km (55.4 percent) asphalt which expanded by 8.6 percent and 12,813 Km (44.6 percent) gravel road which declined by 4.4 percent mainly due to the upgrading of gravel roads to asphalt level.

Asphalt road network accounted for about 13.2 percent of the road network which was slightly lower than 14 percent GTPII target set for the fiscal year. This network included 85 Km Addis-Adama Express Way, the first of its kind in the country, which was completed in 2013/14. During the review period, rural road network, administered by regional authorities, showed a 5.5 percent annual growth and reached 33,367 Km while Woreda road stood at 52,748 Km (Table 1.8).

Table 1.8: Classification of Road Network

(Length in km)

Year	Federal Road				Rural road		Woreda road *		Urban Road			Total**	
	Asphalt		Gravel						Paved	Coble	Unpaved		
	Length	Growth rate	Length	Growth rate	Length	Growth rate							
2000 /01	3,924	-	12,467	-	16,480	-	NA	-	NA	NA	NA	32,871	-
2001/02	4,053	3.3	12,564	0.8	16,680	1.2	NA	-	NA	NA	NA	33,297	1.3
2002/03	4,362	7.6	12,340	-1.8	17,154	2.8	NA	-	NA	NA	NA	33,856	1.7
2003/04	4,635	636	13,905	12.7	17,956	4.7	NA	-	NA	NA	NA	36,496	7.8
2004/05	4,972	7.3	13,640	-1.9	18,406	2.5	NA	-	NA	NA	NA	37,018	1.4
2005/06	5,002	0.6	14,311	4.9	20,164	9.6	NA	-	NA	NA	NA	39,477	6.6
2006/07	5,452	9.0	14,628	2.2	22,349	10.8	57,763.7	-	NA	NA	NA	42,429	7.5
2007/08	6,066	11.3	14,363	-1.8	23,930	7.1	70,038.1	21.3	NA	NA	NA	44,359	4.5
2008/09	6,938	14.4	14,234	-0.9	25,640	7.2	85,767.0	22.5	NA	NA	NA	46,812	5.5
2009/10	7,476	7.8	14,373	1.0	26,944	5.1	100,384.9	17.0	NA	NA	NA	48,793	4.2
2010/11	8,295	11.0	14,136	-1.6	30,712	14.0	854.0	-	NA	NA	NA	53,997	10.7
2011/12	9,875	19.1	14,675	3.8	31,550	2.7	6,983.0	717.7	NA	NA	NA	63,083	16.8
2012/13	11,301	14.4	14,455	-1.5	32,582	3.3	27,628	295.6	NA	NA	NA	85,966	36.3
2013/14	12,640	11.8	14,217	-1.6	33,609	3.2	39,056	41.4	NA	NA	NA	99,522	15.8
2014/15	13,551	7.2	14,055	-1.1	30,641	-8.8	46,810	19.9	1,693	850	2,814	110,414	10.9
2015/16	14,632	8.0	13,400	-4.7	31,620	3.2	48,057	2.7	1,693	NA	3,664	113,066	2.4
2016/17	15,886	8.6	12,813	-4.4	33,367	5.5	52,748	9.8	1,693	NA	3,664	120,171	6.3

Source: Ethiopian Roads Authority

* Includes community road, which was replaced by woreda road and registered as new road in 2010/11

** Total road length does not include community road length till 2010/11 as it is non-engineered road; but it includes woreda road.

1.5.2 Road Density

At the end of 2016/17, road density per 1,000 square Km increased to 109.2 km from 102.8 km a year ago depicting a 6.2 percent improvement over the previous year.

Meanwhile, road density per 1,000 population was 1.3 km up by 5.7 percent during the same period (Table 1.9).

Table 1.9: Road Densities

Year	Road Density /1000 person	Road density /1000 sq. km
2001/02	0.5	30.3
2002/03	0.5	30.8
2003/04	0.5	33.2
2004/05	0.5	33.7
2005/06	0.5	35.9
2006/07	0.6	38.6
2007/08	0.6	40.3
2008/09	0.6	42.6
2009/10	0.6	44.4
2010/11	0.7	48.3
2011/12	0.8	57.3
2012/13	1.0	78.2
2013/14	1.1	90.5
2014/15	1.2	100.4
2015/16	1.23	102.8
2016/17	1.3	109.2
Growth Rate	5.7	6.2

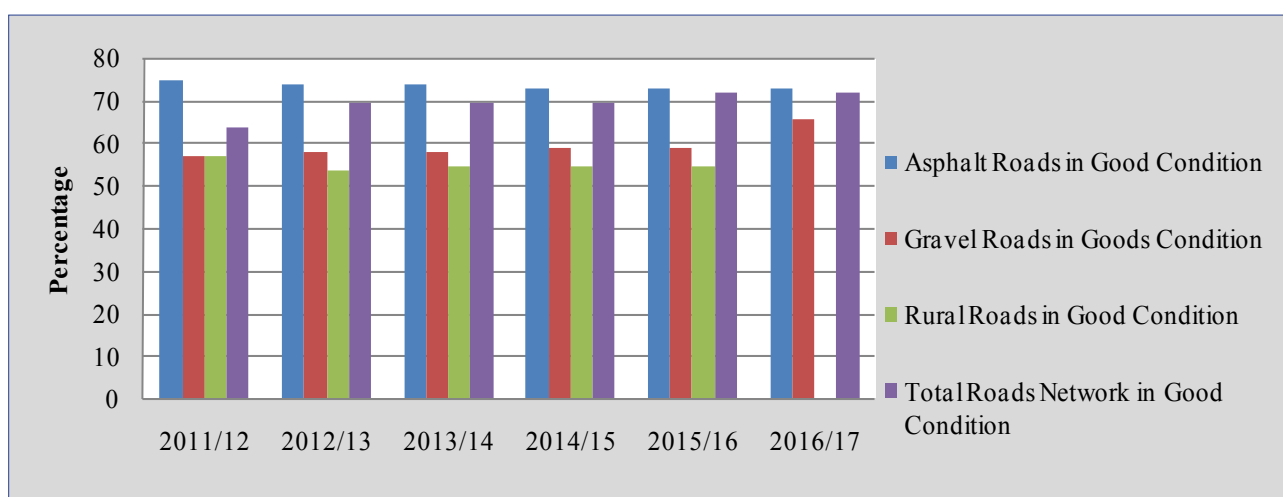
Source: Ethiopian Roads Authority

1.5.3 Road Accessibility

In 2016/17, annual average distance from all-weather roads declined by 6.1 percent from 4.9 km in 2015/16 to 4.6 km. Similarly, the proportion of area more than 5 km from all-weather roads dropped to 33.5 percent from 35.8 percent last year. By 2019/20, it is envisaged to narrow the proportion of area more than 5 Km from all-weather road to 13.5 percent (Table 1.10).

Exclusively 73 percent of the asphalt road and 66 percent of the gravel road were in good condition during 2016/17 (Figure I.6).

Fig.I.6: Status of Road



Source: Ethiopian Roads Authority

1.5.4 Road Sector Financing

Construction and maintenance of roads remained one of the key investments for the Ethiopian government over the past decade.

In 2016/17, total investment in road construction and expansion (excluding urban road) declined by 28.6 percent to Birr 33.9 billion from Birr 47.5 billion a year earlier (Table 1.11 and fig.I.7). The road sector

Table 1.10: Road Accessibility

Indicators	2015/16	2016/17	Percentage change
Proportion of area more than 5Km from all-weather road	35.8	33.5	-6.4
Average distance from all-weather roads	4.9	4.6	-6.1

Source: Ethiopian Roads Authority

financing including urban road was Birr 95 billion during 2015/16.

Investment in the Federal road construction and expansion accounted for 84 percent of the total road investment capital and reached at Birr 28.8 billion, while regional roads constituted 8.1 percent followed by Woreda road (7 percent). There was no investment in urban road construction and expansion during the period (Table 1.11) and (Fig.1.7).

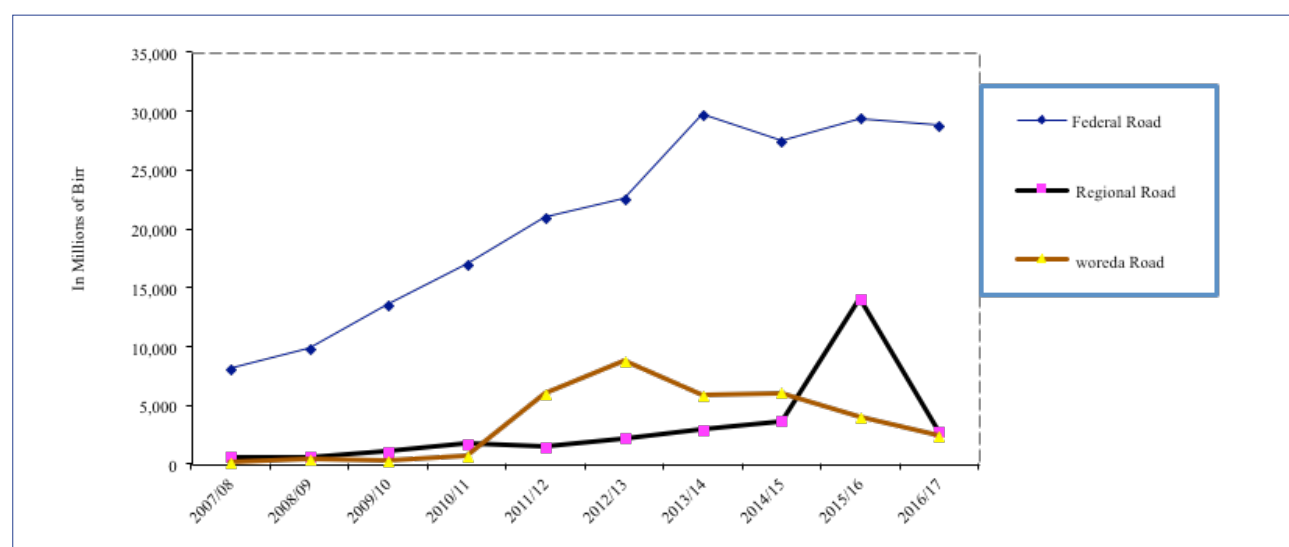
Table 1.11: Investments in the Road Sector

(In millions of Birr)

Road Type	2015/16		2016/17		Percentage change
	A	Share (In %)	B	Share (In %)	
Federal roads	29,425.3	31.0	28,797.7	84.8	-2.1
Regional road	14,085.6	14.8	2,756.2	8.1	-80.4
Woreda road	4,009.4	4.2	2,392.2	7.0	-40.3
Urban road*	47,520.3	50.0	NA	NA	NA
Total	95,040.6	100.0	33,946.1	100.0	-64.3

Source: Ethiopian Roads Authority

* All municipalities' maintenance.

Fig.I.7: Investment in Road Construction and Expansion

Source: Ethiopian Roads Authority

1.6 Developments in Education Sector

The education sector has been improving in terms of coverage during the last few years whose objectives are producing efficient, effective and innovative citizens which can contribute to the realization of the country's vision to become a middle income country by 2025.

During 2015/16 fiscal year, primary education (1-8 grades) enrolment rose from 18.7 million in 2014/15 to 20 million in 2015/16; showing a 7 percent annual growth. During the review period, the number of primary schools reached 34,867 from 33,373 in the preceding year as 1,494 new schools were opened. Of the total number of primary schools,

29,856 (85.7 percent) were located in rural areas and 4,985 (14.3 percent) in urban centers.

Similarly, secondary education enrolment was 2.4 million, about 14 percent higher than a year earlier. The number of secondary schools (9-12 grades) also increased by 11.5 percent and reached 3,156 with the opening of 326 new secondary schools.

Similarly, technical and vocational education and training (TVET) enrolment was 304,139; which showed 14.4 percent annual growth. There were 582 TVET institutions in the country under both government and non-government ownership, though there is under-reporting of data from most of the regions.

The share of education in annual government expenditure was 24.3 percent in 2015/16.

Table 1.8: Education Sector Data

Indicators	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	2002	2003	2004	2005	2006	2007	2008
Number of primary schools (urban, rural) & including others	26,951	28,349	29,482	30,534	32,048	33,373	34,867
i Urban	3,206	3,988	4,241	4,536	4,451	4,769	4,985
ii. Rural	23,745	24,313	25,227	25,998	27,597	28,604	29,856
Number of secondary schools(urban, rural) & including others	1,351	1,392	1,710	1,912	2,329	2,830	3,156
i. Urban	1,053	1,053	1,342	1,451	1,636	1,891	1,973
ii. Rural	298	339	368	461	693	939	1,178
No of TVET centers (public, private, mission)	448	505	505	437	437	919	919
Number of tertiary level institutions (public, private)	70	74	91	99	124	171	172
Universities	22	26	32	32	33	33	37
Participation of women in higher education institutions (%)	27	27	21.1	29.5	32	35	34.1
Primary enrolment (in millions)	15.8	16.7	17	17.5	18.3	18.7	20.0
Secondary enrolment (in thousands)	1,696	1,760	1,766	1,900	1,998	2,108	2,421
TVET enrolment	353,420	371,347	330,409	237,877	238,049	265,745	304,139
Girls' primary enrolment (%)	47.4	47.3	47.8	48	48	47.2	47.1
Grades (1-4) gross enrolment ratio (%)	118.8	124	122.6	124.5	136.9	140.3	144.7
a. Girls' gross enrolment ratio (%)	114.3	119.1	118.1	119.4	130.5	132.7	136.6
b. Boys' gross enrolment ratio (%)	123.2	128.8	127.0	129.4	143	147.6	152.5
Grades (5-8) gross enrolment ratio (%)	65.5	66.1	65.6	62.8	64.1	66.3	71.1
a. Girls' gross enrolment ratio (%)	63.5	64.8	65.3	62.2	63.4	64.8	68.9
b. Boys' gross enrolment ratio (%)	67.4	67.4	65.9	63.4	64.7	67.8	73.3
Girls' gross primary enrolment ratio (%)	101.6	93.2	92.9	93	97.8	99.5	103.5
Boys' gross primary enrolment ratio (%)	108.4	99.5	99.5	97.9	104.8	108.5	113.7
Gross Primary Enrolment ratio (%)	93.4	96.4	95.4	95.5	101.3	104	108.7
Tigray	103.3	102.1	100.1	98.8	105.3	118.8	114.1
Afar	39.3	40.1	43.7	50.5	53.2	70.3	66.2
Amhara	104.9	104.2	1003	100.7	106.7	110.3	111.6
Oromia	88.4	94.8	92	91.2	89.3	94.8	104.3
Somali	65.6	61.3	75.1	96.9	84.8	91.7	95.9
Ben.Gumuz	114.6	119.7	115.9	111.9	95.4	107.0	109.6
SNNPR	97.3	102.6	100.7	98.4	100.3	108.4	115.5
Gambella	125.1	132	138.5	126.6	136.4	151.4	154.4
Harari	95.3	91.5	89.3	87.1	98.1	101.8	107.9
A.A	107.3	103.1	102.4	99.2	163.6	150.6	146.3
Dire Dawa	91.3	89.1	87.3	84.9	91.4	67.5	70.2
Primary net enrolment rate (%)	82.1	85.3	85.4	85.9	89	94.3	100.3
No. of students registered in the first cycle primary schools(1-4) (in millions)	10.5	11.3	11.4	12.0	12.7	12.8	13.6
No. of students registered in the second cycle primary schools(5-8) (in millions)	5.3	5.5	5.7	5.5	5.6	5.9	6.4
Number of students registered in the first cycle secondary schools(9-10) (in millions)	1.5	1.5	1.4	1.5	1.6	1.7	1.9
Gross enrolment rate in (9-10 grades) %	39.1	38.4	36.9	38.4	39.3	39.8	44.8
Preparatory admission(in millions)	0.24	0.29	0.32	0.36	0.39	0.42	0.5
Completion rate of primary School (%)	47.8	49.4	52.1	52.8	46.7	51.3	54.3
Girls/boys ratio in primary schools (%)	91	90.4	92	94	91	89.8	89
Girls/boys ratio in secondary schools (%)	75	79	84	88	89	89.9	89.7
Girls/boys ratio in (9-10) (%)	78	81	86	90	90	92.9	91.1

Indicators	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
	2002	2003	2004	2005	2006	2007	2008
Girls/boys ratio in (11-12) (%)	56	83	75	80	82	87.6	84.8
Girls/boys ratio in TVET (%)	80	86	91	105	105	109.7	108.1
Girls/boys ratio in higher education (%)	36	36	39	42	46	49.9	51.8
Grade 1-8(primary) repetition rates (%)	4.9	8.5	8.5	7.9	8.4	7.3	6.7
Primary school dropout rate (%)	13.1	16.3	16.3	15.7	7.9	9.9	10.1
1 st grade dropout rate (%)	28.1	19.9	25	22.5	23.9	19	16.8
			Pupil to teacher ratio				
i. Grade (1-8)	51	51	50	49.4	47	46	46
ii. Grade (9-12)	36	31	29	28.7	27.8	26.4	26.5
iii. TEVT	NA	29	24.7	18.6	18.6	16.5	12.6
iv. In higher education	26.8	26.7	25	24.4	25.9	26.4	20.1
			Pupil to Section Ratio				
i. Grade (1-8)	57	57	55	53.7	54	54	55
ii. Grade (9-12)	64	58	56.1	59.3	56.9	57	54
Number of class rooms in primary schools	254,744	279,292	308,905	324,587	321,468	3,41086	365,530
			Pupil to Textbook Ratio				
i. Grade(1-8)	1.5	1.5	1.35	1	1	4.20	3.8
ii. Grade(9-12)	1	1	1	1	1	13	11.8
			Pupil to School Ratio				
i. Grade(1-8)	573	590	576	571	571	560	573
ii. Grade(9-12)	1270	1160	1033	994	857	744.9	767.2
iii. TEVT	788	735	654	544	545	383	331
Proportion of pupils starting grade 1 who reach grade 5(%)	39.6	55	47	50.2	55.5	55.75	56.5
Percentage of female enrolled in under graduate degree (%)	27	27	22	30	30.3	34.7	34.1
Percentage of female graduated in under-graduate degree (%)	23.4	27.2	25.3	28.7	25.6	28.5	33.4
Percentage of female enrolled in post-graduate degree	11.9	13.8	20.2	20.6	19.5	23.8	23.1
Percentage of female graduated in post-graduate degree	13.9	14.4	14.0	14.9	15	16.7	18.9
Annual education share of the national expenditure{%	25.9	17.5	25.3	25.2	25	24.9	24.3

1.7. Telecommunication

Since telecommunication is one of the prime support services needed for rapid growth and modernization of various sectors of the economy as well as for attracting investment, creating market opportunities, enhancing competitiveness and boosting regional economic integration, the Ethiopian government has made huge investments to improve service quality, coverage and institutional capacity in the telecom sector. As a result, Ethio Telecom has set ambitious targets to enhance customer acquisition, customer satisfaction and provision of quality services to customers.

In 2016/17, the number of mobile subscribers surged by 26.4 percent and reached 58.1 million from 46 million a year ago. 99.5 percent of mobile subscribers were pre-paid subscribers and 0.5 percent postpaid mobile subscribers. Similarly, the number of fixed line subscribers rose to 1.2 million from 1.1 million showing a 4.8 percent annual growth. Yet, the number of mobile and fixed line users was 11.3 and 80.4 percent lower than GTPII target set respectively for fiscal year 2016/17.

Meanwhile, the number of internet subscribers increased by 21.4 percent and reached 16.5 million from 13.6 million recorded in 2015/16 (Table 1.13).

Table 1.13: Number of Subscribers

Service Type	2015/16	2016/17	Percentage Change
I. Fixed line	1,115,561	1,169,625	4.8
II. ALL MOBIL	45,962,553	58,080,626	26.4
Total mobile pre-paid	45,769,105	57,784,164	26.3
Total Mobile post-paid	193,448	296,462	53.3
III. Total data and Internet	13,593,866	16,505,225	21.4
Broadband (EVDO, WCDMA, ADSL)	4,871,541	6,902,902	41.7
Narrowband (1X, dialup, ADSL* < 256K)	248,038	276,294	11.4
GPRS	8,474,287	9,326,029	10.1
WCDMA	4,692,185	6,902,902	47.1
Grand Total	47,505,508	59,899,089	26.1

Source: Ethio-Telecom

*CDMA (Code Division Multiple Access), GSM (Global System for Mobiles), GPRS (General Packet Radio Service) and ADSL (Asymmetric Digital Subscriber Line)

Similarly, the country's telecommunication penetration rate (telecom density) increased from 51 percent in 2015/16 to 63 percent; mobile density rose to 61.6 percent from 49.8 percent; and internet and data density improved to 17.5 percent from 14.7 percent. On the other hand,

fixed line density remained constant at 1.2 per 100 subscribers (Table 1.14). As compared with GTP II target for the year 2016/17, mobile service penetration and fixed line density declined by 5.6 and 28.2 percentage point, while internet data density surpassed the GTP II target.

Table 1.14: Telecom Density

Tele density/100 Subscribers*	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Fixed line	1	0.9	1	1	1.2	1.2
Mobile	20.4	27.6	33.3	43	49.8	61.6
Total	21.4	28.5	34.3	44	51	63
Internet and data	0.3	5.2	7.3	10	14.7	17.5

Source: Ethio-Telecom

*Tele-density is mobile plus fixed telephone subscribers per 100 inhabitants

The number of international outgoing calls increased by 7 percent while, international outgoing minutes decreased from 57.7 million in 2015/16 to 54.2 million in 2016/17.

At the same time, the number of incoming calls improved 17.6 percent and international incoming minutes increased by 22.3 percent to 473.6 million. The annual traffic for local calls improved by 26.8 percent and reached 35.1 billion during the review period (Table 1.15).

Table 1.15: Annual Traffic for Local and International Calls

Annual Traffic	2014/15	2015/16	Percentage Change
Mobile local traffic (In millions)	27,710.0	35,142	26.8
International Traffic			
International outgoing calls (In number)	36,563,778	39,137,793	7.0
International outgoing minutes	57,724,646	54,163,949	-6.2
International incoming calls (In number)	109,751,868	129,033,583	17.6
International incoming minutes	387,327,476	473,617,783	22.3

Source: Ethio-Telecom

Ethio-telecom's income rose by 17.5 percent to Birr 33.3 billion while, its total expenses dropped to Birr 8.6 billion showing a 33.7 percent annual reduction.

Hence, its gross profit stood at Birr 24.8 billion, about 60.1 percent higher than the previous year (Table 1.16).

Table 1.16: Financial Performance and Asset of Ethio -Telecom

(In Millions of Birr)

Finance and Asset	2014/15	2015/16	2016/17	Percentage Change	
	A	B	C	C/A	C/B
Income	21,500	28,371.67	33,343.16	55.1	17.5
Expense	6,945	12,888.36	8,551.15	23.1	-33.7
Gross Profit	14,555	15,483.31	24,792.01	70.3	60.1
Assets	52,750	37,904.65	NA		
Fixed Gross	24,129	30,949	32,399	34.3	4.7
Depreciation	2,118	8,162	2,422.17	14.4	-70.3

Source: Ethio- Telecom

II. ENERGY PRODUCTION



II. ENERGY PRODUCTION

2.1. Electric Power Generation

Ethiopia is estimated to have hydro-power potential of 45,000 MW, a geothermal potential of 10,000 MW and 1.3 million MW potential from wind farm. The country's generating capacity is largely based on hydropower reservoirs as nine of its major rivers are suitable for hydroelectric power generation.

Considering the increasing power demand and capacity shortfall in the system and to have a better power generation mix, the country has been venturing to diversify its production of renewable energy to wind and geothermal sources.

Adama II wind farm has a generating capacity of 153 MW and combined with Adama I (51MW) and Ashegoda (120 MW), the total energy production from wind has reached 324 MW. In addition, the construction of Aysha 300 MW wind power project

was under way. Ethiopia is also identified as having a huge solar energy potential due to its geographical location near the equator. In its bid to become a major power exporter in East Africa and green economy, the country is also building several geothermal power plants.

The amount of electric power generated in 2016/17 was about 12.5 billion KWH, showing a 19.8 percent annual expansion. About 93.7 percent of the electric power was generated through hydropower, 6.3 percent from wind and 0.02 percent from thermal sources. The production of hydro power energy got momentum as the total electric energy generated increased to 11.8 billion KWH from 9.7 billion KWH a year earlier showing 21.5 percent annual increase while energy production from wind sources showed a marginal decrease of 0.2 percent (Table 2.1).

Table 2.1: Electric Power Generation in ICS and SCS

(In '000 KWH)

Source		2014/15		2015/16		2016/17		Percentage Change	
		[A]	Share (In %)	[B]	Share (In %)	[C]	Share (In %)	[C/A]	[C/B]
ICS	Hydro Power	9,014,010.6	94.7	9,674,157.6	92.4	11,752,824.4	93.7	30.4	21.5
	Thermal Power	3,360.3	0.0	1,017.4	0.0	67.9	0.0		
	Geothermal		-	-	-		-	-	
	Wind	497,690.8	5.2	785,505.5	7.5	783,797.7	6.3	57.5	-0.2
Sub Total		9,515,061.7	100.0	10,460,680.5	100.0	12,536,690.0	100.0	31.8	19.8
SCS	Hydro Power	-	-		-		-		
	Thermal Power	4,285.5	0.0	4,259.1	0.0	2,837.8	0.0	-33.8	-33.4
Sub Total		4,285.5	0.0	4,259.1	0.0	2,837.8	0.0	-33.8	-33.4
Total	Hydro Power	9,014,010.6	94.7	9,674,157.6	92.4	11,752,824.4	93.7	30.4	21.5
	Thermal Power	7,645.8	0.1	5,276.5	0.1	2,905.6	0.0	-62.0	-44.9
	Geothermal	-		-	-			-	
	Wind	497,690.8	5.2	785,505.5	7.5	783,797.7	6.3	57.5	-0.2
Grand Total		9,519,347.1	100.0	10,464,939.6	100	12,539,527.8	100.0	31.7	19.8

Source: Ethiopian Electric Power

2.2. Volume and Value of Petroleum Imports

In 2016/17, about 3.4 million metric tons of petroleum products worth Birr 37.3 billion were imported by the Ethiopian Petroleum Enterprise. The total value of petroleum imports increased by 23.1 percent mainly due higher international oil prices and 13 percent rise in volume of petroleum imports. Imported volume of regular gasoline increased by 21.7 percent followed

by gas oil (15.6 percent) and jet fuel (8.8 percent) while fuel oil import volume dropped by 29.6 percent. On the other hand, the value of gas oil surged by 43.6 percent followed by jet fuel (28.4 percent). Yet, the values of regular gasoline and fuel oil dropped by 31.6 percent and 2.4 percent, respectively (Table 2.2) (Fig.II.1 & Fig.II.2).

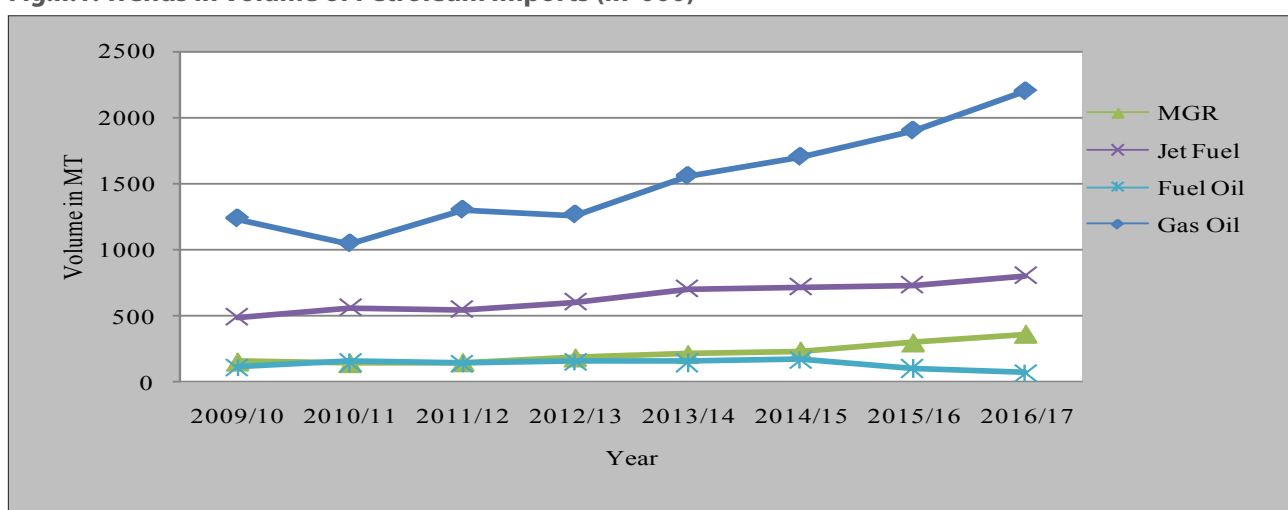
Table 2.2: Volume and Value of Petroleum Imports

(Volume in MT and Value in '000 Birr)

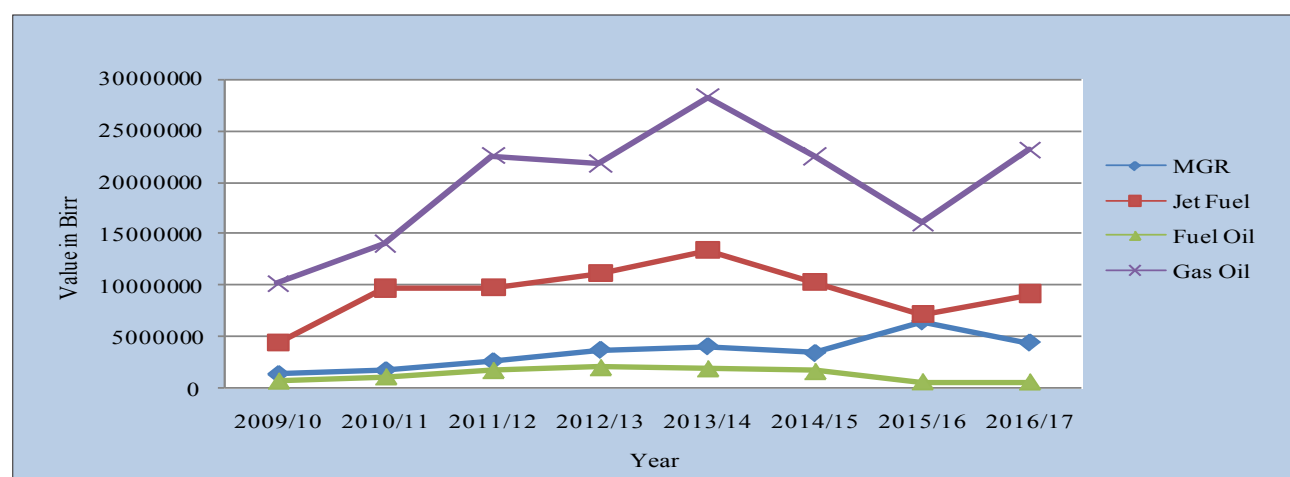
Petroleum Products	2015/16		2016/17		Percentage Change	
	Volume	Value	Volume	Value		
	A	B	C	D	C/A	D/B
Regular Gasoline (MGR)	298,867.5	6,429,199.4	363,845.1	4,399,921.8	21.7	-31.6
Jet Fuel	735,921.7	7,143,231.6	800,783.3	9,172,380.3	8.8	28.4
Fuel Oil	106,978.4	673,610.9	75,283.59	657,563.3	-29.6	-2.4
Gas Oil (ADO)	1,901,791.5	16,088,341.8	2,199,354.6	23,098,209.4	15.6	43.6
Total	3,043,559.1	30,334,383.7	3,439,266.6	37,328,074.9	13.0	23.1

Source: Ethiopian Petroleum Enterprise

Fig.II.1: Trends in Volume of Petroleum Imports (In '000)



Source: Ethiopian Petroleum Enterprise

Fig.II.2: Trends in Value of Petroleum Imports (In '000)

Source: Ethiopian Petroleum Enterprise

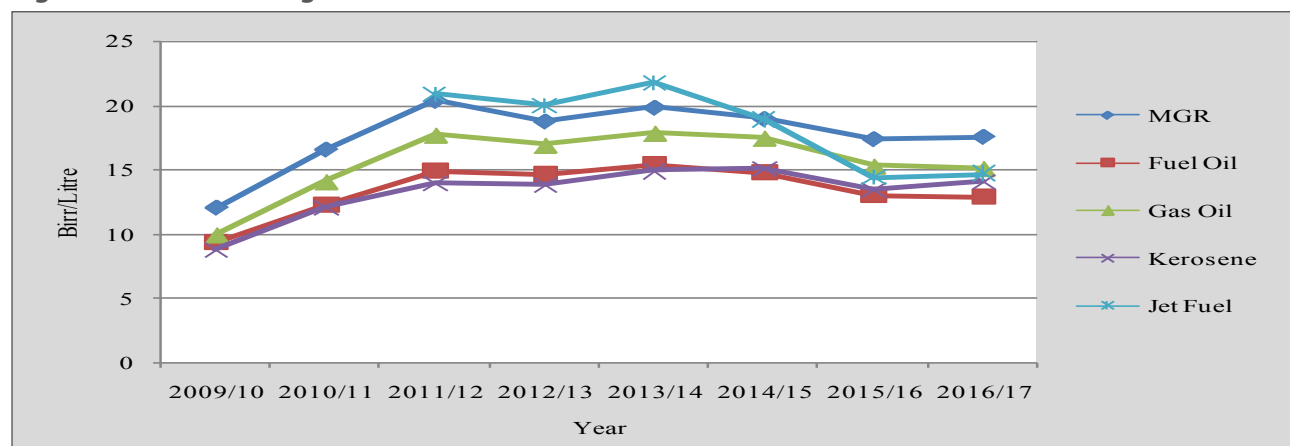
In line with the increase in international oil prices, domestic retail prices were also adjusted up wards. Thus, retail prices of Kerosene increased by 5.2 percent

followed by jet fuel (2 percent) and Regular gasoline (1 percent). In contrast, retail prices of gas oil and fuel Oil dropped by 1.2 and 1 percent, respectively (Table 2.3).

Table 2.3: Annual Retail Prices of Petroleum Products in Addis Ababa (Birr/liter)

Year	Quarter	Regular Gasoline (MGR)	Fuel Oil	Gas Oil	Kerosene	Jet fuel
2015/16	Qtr.1	17.96	13.59	16.10	14.13	16.23
	Qtr.2	17.96	13.59	16.10	14.13	15.14
	Qtr.3	17.06	12.59	14.81	13.00	13.95
	Qtr.4	16.61	12.10	14.16	12.43	12.34
	Average	17.40	12.97	15.29	13.42	14.41
2016/17	Qtr.1	16.61	12.10	14.16	12.43	13.36
	Qtr.2	16.61	12.10	14.16	12.43	14.03
	Qtr.3	18.32	13.46	15.76	15.25	15.74
	Qtr.4	18.77	13.69	16.35	16.35	15.70
	Average	17.58	12.84	15.11	14.12	14.71
	Annual percentage change	1.0	-1.0	-1.2	5.2	2.0

Source: Ethiopian Petroleum Enterprise

Fig.II.3: Trends in Average Fuel Price in Addis Ababa

Source: Ethiopian Petroleum Enterprise.

III. PRICE DEVELOPMENTS



III. PRICE DEVELOPMENTS

3.1. Developments in Consumer Price at National Level

In 2016/17, the annual average headline inflation slowed down to 7.2 percent from 9.7 percent a year ago. This was largely owing to 3.9 percent decline in food & non-alcoholic beverages inflation from 11.2 percent to 7.3 percent and 1.1 percent drop in non-food inflation from 8 to 7 percent (Table 3.1).

The slowdown in, annual average food & non-alcoholic beverages inflation was due to lower prices of vegetables and sugar, jam, honey & chocolate (Table 3.1 and Fig III.1).

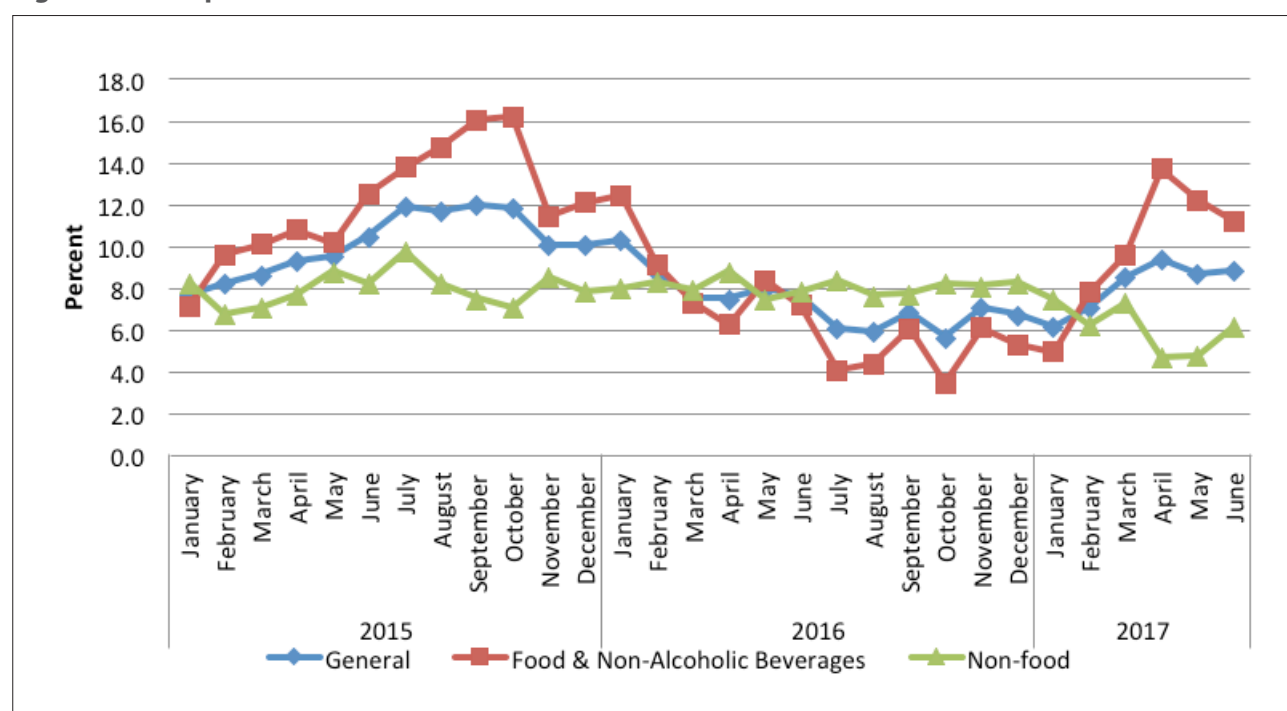
In the meantime, annual headline inflation scaled up to 8.8 percent from 7.5 percent wholly on account of 4.0 percentage points rise in food & non-alcoholic beverages inflation against 1.8 percentage points decline in non-food inflation. Annual food & non-alcoholic beverages inflation rose to 11.2 percent from 7.2 percent last year while that of non-food inflation dropped to 6.1 percent from 7.9 percent (Table 3.2 and Fig. III. 2).

Table 3.1: Annual Average Inflation Rates (in percent)

Items	2015/16	2016/17	Change (in %age Points)	Contribution to Change in Headline Inflation (in %age points)
	A	B	B-A	C
General	9.7	7.2	-2.5	-2.5
Food & Non-alcoholic beverages	11.2	7.3	-3.9	-2.0
Non-Food	8.1	7.0	-1.1	-0.5

Source: CSA and NBE Staff Computation

Fig.III.1: Developments in National Inflation

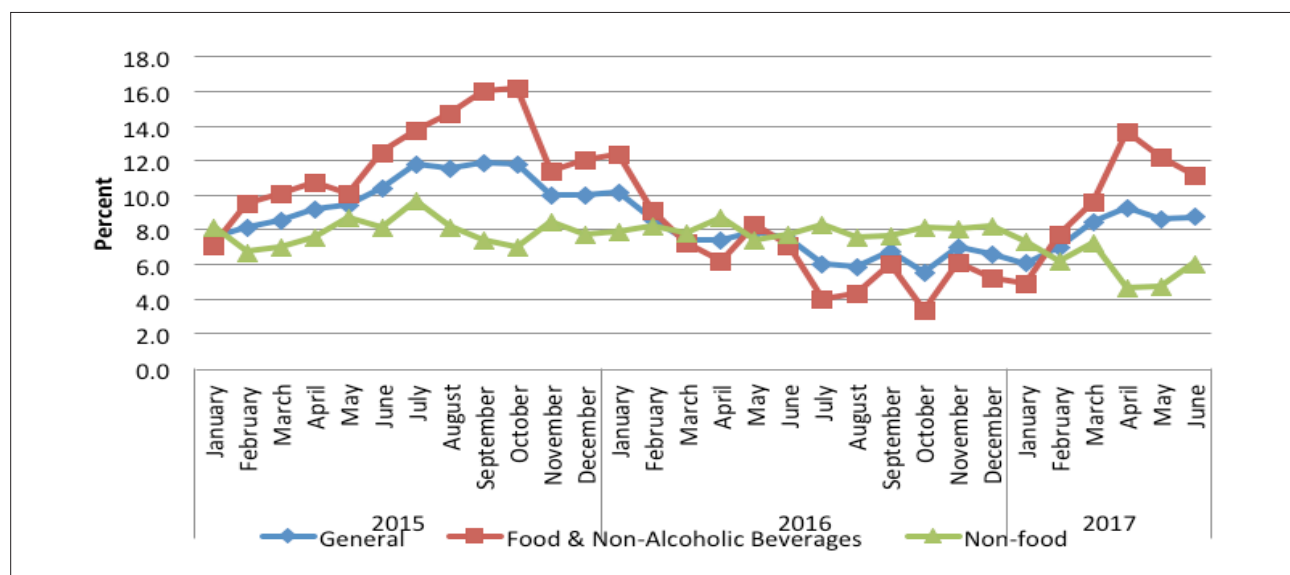


Source: CSA and NBE Staff Computation

Table 3.2: Annual Inflation Rates (in percent)

Items	2015/16	2016/17	Change (in %age Points)
	A	B	B-A
General	7.5	8.8	1.3
Food & Non-alcoholic beverages	7.2	11.2	4.0
Non-Food	7.9	6.1	-1.8

Source: CSA and NBE Staff Computation

Fig.III.2: Developments in Inflation of Food, Non-Food & Non-alcoholic beverages

Source: CSA and NBE Staff Computation

3.2. Consumer Price Developments in Regional States

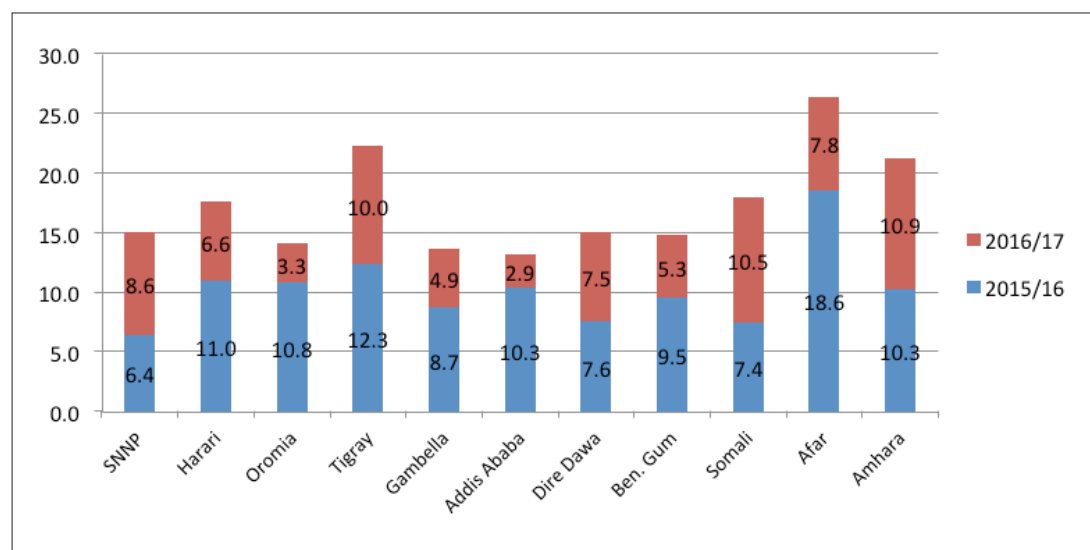
Regional average general inflation decelerated to 7.1 percent in 2016/17 from 10.3 percent a year earlier. Amhara, Somali, Tigray, SNNP, Afar and Dire Dawa saw higher inflation than the regional average (Table

3.3). The highest headline inflation (10.9 percent) was recorded in Amhara and the lowest (2.9 percent) in Addis Ababa, depicting a 8.0 percentage point margin.

Table 3.3: Regional Average Annual Inflation (2016/17 FY)

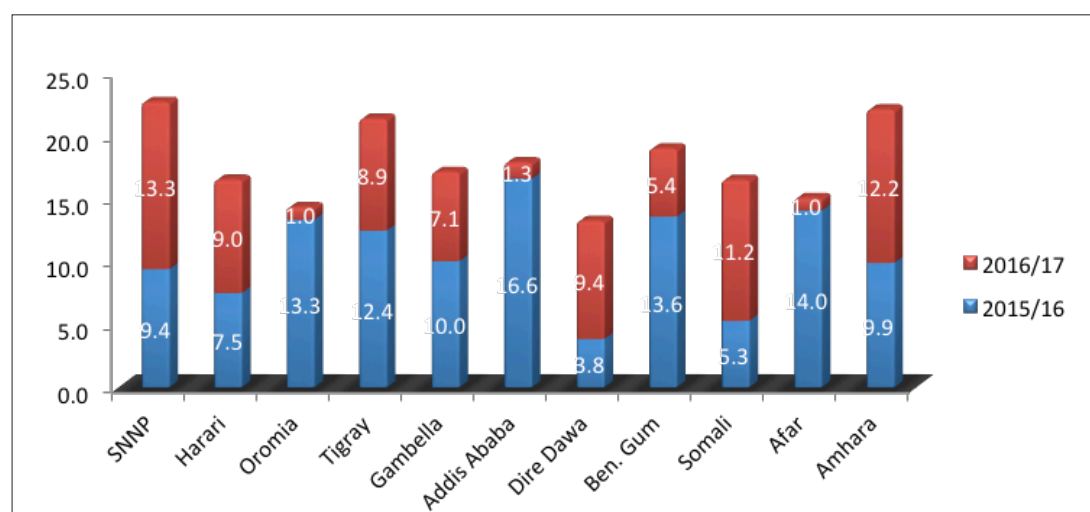
Regions	2015/16			2016/17			Change		
	General	Food & Non-alcoholic beverages	Non-food	General	Food & Non-alcoholic beverages	Non-food	General	Food & Non-alcoholic beverages	Non-food
	A	B	C	D	E	F	G=D-A	H=E-B	I=F-C
SNNP	6.4	9.4	4.2	8.6	13.3	4.9	2.2	3.9	0.7
Harari	11.0	7.5	14.8	6.6	9.0	4.0	-4.4	1.5	-10.8
Oromia	10.8	13.3	7.8	3.3	1.0	6.3	-7.5	-12.3	-1.5
Tigray	12.3	12.4	12.2	10.0	8.9	10.9	-2.3	-3.5	-1.3
Gambella	8.7	10.0	11.7	4.9	7.1	7.6	-3.8	-2.9	-4.1
Addis Ababa	10.3	16.6	5.8	2.9	1.3	4.2	-7.4	-15.3	-1.6
Dire Dawa	7.6	3.8	10.0	7.5	9.4	6.7	-0.1	5.6	-3.3
Ben. Gum	9.5	13.6	4.4	5.3	5.4	5.2	-4.2	-8.2	0.8
Somali	7.4	5.3	9.7	10.5	11.2	9.9	3.1	5.9	0.2
Afar	18.6	14.0	24.5	7.8	1.0	15.8	-10.8	-13.0	-8.7
Amhara	10.3	9.9	10.7	10.9	12.2	9.7	0.6	2.3	-1.0
Regions Average	10.3	10.5	10.5	7.1	7.3	7.7			
Standard deviation	3.3	3.9	5.7	2.8	4.5	3.6			
Coefficient of variation	0.3	0.4	0.5	0.4	0.6	0.5			

Sources: CSA and NBE's staff computation

Fig.III.3: Variation in Regional Annual Average Headline Inflation

The regional simple average food & non-alcoholic beverages inflation was 7.3 percent in 2016/17 where SNNP, Amhara, Somali, Dire Dawa, Harai, and Tigray regional states registered higher inflation than the regional average (Table 3.3).

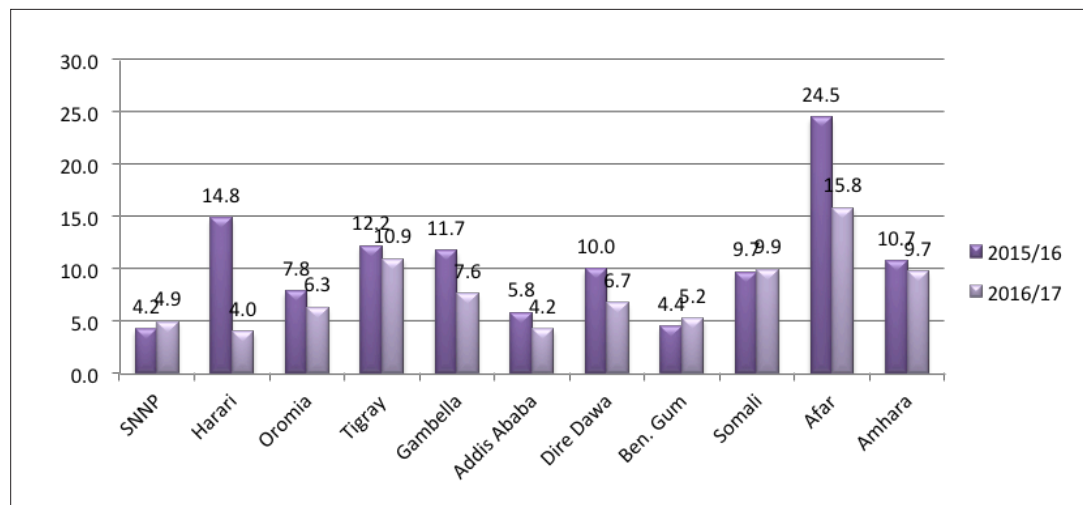
The highest inflation was seen in SNNP (13.3 percent) and the lowest in Oromia (1.0 percent) resulting in 12.3 percentage point margin.

Fig.III.4: Variation in Regional Annual Average Food & Non-alcoholic Beverages Inflation

Meanwhile, the regional average non-food inflation slowed down to 7.7 percent from 10.5 percent last year. Afar, Tigray, Somali and Amhara regional states experienced higher non-food inflation than

the regional simple average (Table 3.3) with Afar registering the highest (15.8 percent), and Harari the lowest non-food inflation (4.0 percent), showing 11.8 percentage point margin.

Fig.III.5: Variation in Regional Annual Average Non-food Inflation



Source: CSA and NBE Staff Computation

IV. MONETARY AND FINANCIAL DEVELOPMENTS



IV. MONETARY AND FINANCIAL DEVELOPMENTS

4.1 Monetary Developments and Policy

In 2016/17, Ethiopia's monetary policy was focused on maintaining inflation in single digit. Accordingly, the National Bank of Ethiopia has managed to keep single digit inflation using the available monetary policy instruments in conjunction with prudent fiscal policy operations.

4.1.1. Developments in Monetary Aggregates

Domestic liquidity, as measured by broad money supply (M2), reached Birr 573.4 billion reflecting a 28.8 percent annual expansion mainly due to the 76.7 percent surge in external assets (net) and 28.7 percent growth in domestic credit. The growth in domestic credit was attributed to a 79.7 percent

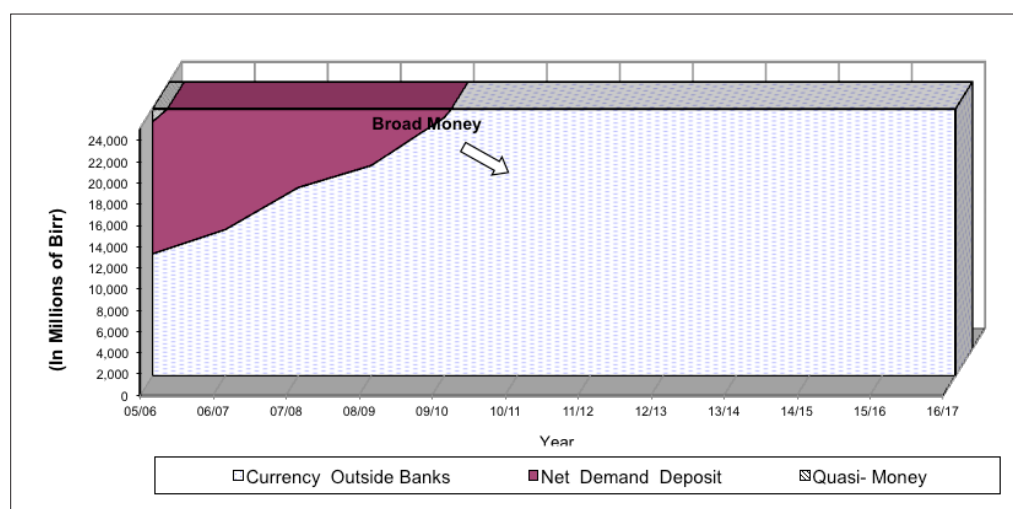
increase in credit to the central government mainly due to an increase in CBE's paid-up capital to Birr 40.0 billion (Table 4.2). Credit to non-central government also rose by 23.3 percent during the review period. As for components of broad money, narrow money hiked by 21.4 percent as both demand deposits and currency outside banks, increased reflecting the boom in economic activities and improvements in money demand for transaction purposes. Similarly, quasi-money that comprises savings and time deposits rose by 33.7 percent and reached Birr 356.6 billion owing to the growing capacity of banks in deposit mobilization aided by the opening of 956 new branches and stability of domestic prices (Table 4.1).

Table 4.1: Components of Broad Money

Particulars	Year Ended June 30				Annual Percentage Change		
	2013/14	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	(In Millions of Birr)						
Narrow Money Supply	134,063.8	154,706.3	178,609.7	216,769.6	15.4	15.5	21.4
• Currency Outside Banks	53,176.0	60,460.9	66,686.2	73,917.7	13.7	10.3	10.8
• Demand Deposits (net)	80,887.8	94,245.4	111,923.5	142,851.9	16.5	18.8	27.6
Quasi-Money	163,682.8	216,622.6	266,656.6	356,614.4	32.3	23.1	33.7
• Savings Deposits	136,334.0	174,632.0	217,034.3	293,431.7	28.1	24.3	35.2
• Time Deposits	27,348.8	41,990.6	49,622.3	63,182.7	53.5	18.2	27.3
Broad Money Supply	297,746.6	371,328.9	445,266.3	573,384.1	24.7	19.9	28.8

Source: National Bank of Ethiopia

Fig.V.1: Major Components of Broad Money (2005/06 - 2016/17)

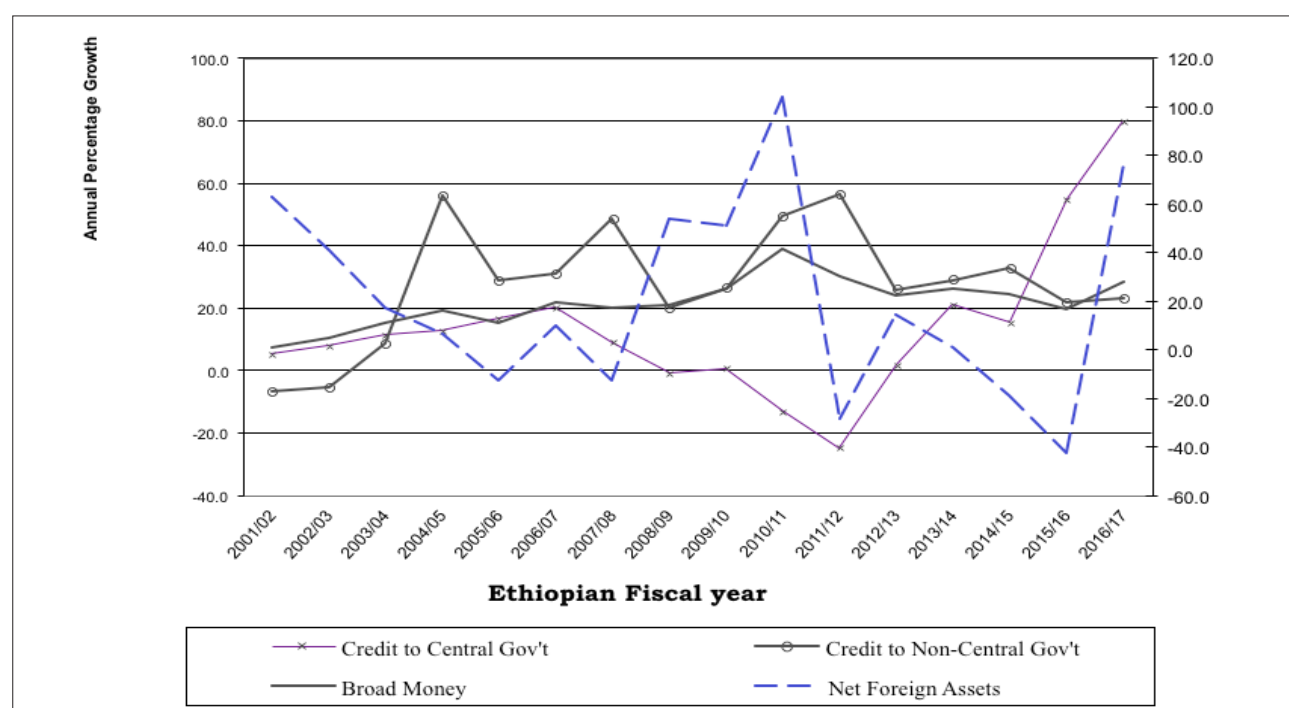


Source: National Bank of Ethiopia

Table 4.2: Factors Influencing Broad Money

Particulars	Year Ended June 30				Annual Percentage Change		
	2013/14	2014/15	2015/16	2016/17	2014/15	2015/16	2016/17
	(In Millions of Birr)						
External Assets (net)	45,972.3	37,570.9	21,524.2	38034.8	-18.3	-42.7	76.7
Domestic Credit	300,026.6	393,421.7	490,230.3	631,092.7	31.1	24.6	28.7
• Claims on Central Gov't (net)	26,929.7	30,735.3	47,548.4	85,441.8	14.1	54.7	79.7
• Claims on Non-Central Gov't	273,096.8	362,686.5	442,682.0	545,650.9	32.8	22.1	23.3
Other Items (net)	48,252.3	59,663.8	66,488.3	100,721.6	23.6	11.4	51.5
Broad Money (M2)	297,746.6	371,328.9	445,266.3	573,384.1	24.7	19.9	28.8

Source: NBE

Fig.V.2: Major Determinants of Monetary Growth**4.1.2. Developments in Reserve Money and Monetary Ratios**

Reserve money or base money witnessed a 22.7 percent year-on-year growth and reached Birr 146.3 billion at the close of the fiscal year. The growth was ascribed to 42.2 percent rise in deposits of banks at NBE and 42.2 percent surge in currency in circulation. Determinant wise, the growth in reserve money was the result of 128.3 percent increase in NBE's net foreign assets and 28.7 percent expansion in net domestic credit. Meanwhile, excess reserves of commercial banks reached Birr 26.7 billion at the end of June 2017 compared to Birr 13.3 billion a year earlier.

The ratio of broad money to GDP³, an indicator of financial deepening, went up by 6.6 percent to 0.31, partly indicating the prudent monetary policy measures undertaken to mitigate inflationary pressure. The Money multiplier, defined as the ratio of narrow money to reserve money remained constant at 1.5 whereas ratio of broad money to reserve money showed slight increments and reached 3.9, reflecting improvements in deposit mobilization by commercial banks (Table 4.3).

³ The 2016/17 GDP is estimated by assuming that 2015/16 GDP grew by an average GDP growth rates of 2013/14-2015/16.

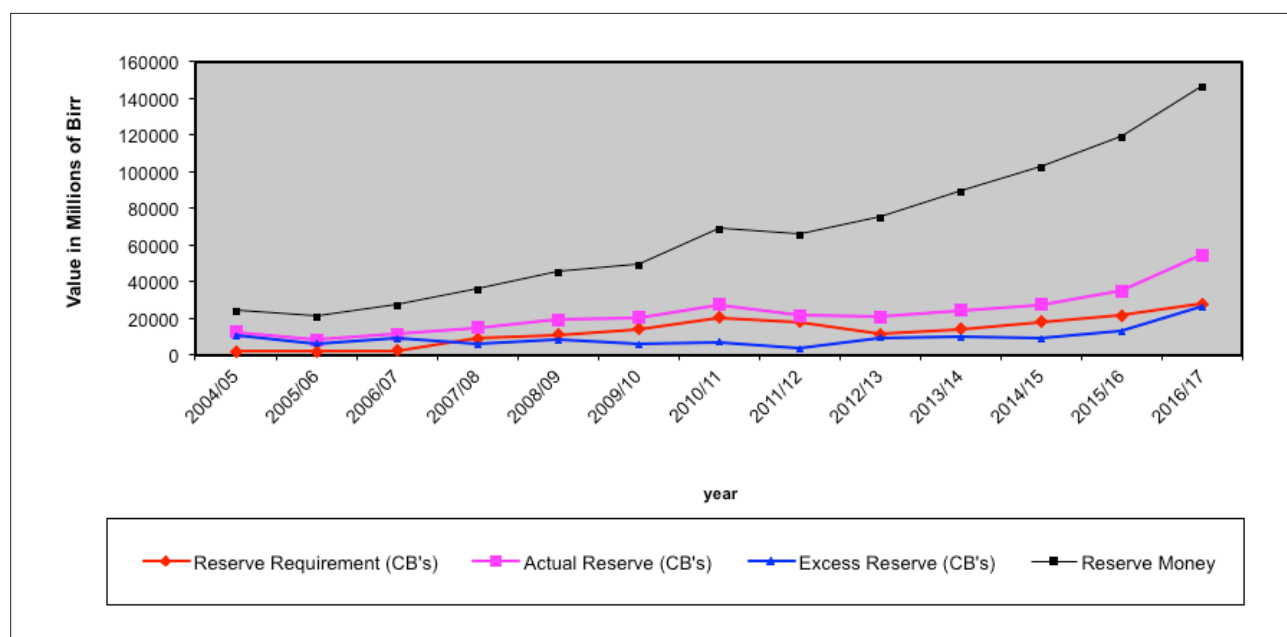
Table 4.3: Reserve Money and Monetary Ratios

(In millions of Birr, where applicable)

Particulars	Year Ended June 30				Annual Percentage Ch		
	2013/14	2014/15	2015/16	2016/17	2014/15	2015/16	2016/2017
Reserve Requirement (CB's)	14,479.4	18,250.4	21,745.4	28,280.8	26.0	19.2	30.1
Actual Reserve (CB's)	24,493.3	27,562.6	34,999.4	54,977.9	12.5	27.0	57.1
Excess Reserve (CB's)	10,013.9	9,312.2	13,253.9	26,697.1	-7.0	42.3	101.4
Reserve Money	89,322.5	102,467.8	119,164.7	146,257.9	14.7	16.3	22.7
. Currency in Circulation	64,355.0	75,240.7	82,592.7	94,245.5	16.9	9.8	14.1
. Bank Deposits	24,967.5	27,227.1	36,572.0	52,012.4	9.1	34.3	42.2
Money Multiplier (Ratio):							
. Narrow Money to Reserve Money	1.50	1.51	1.50	1.48	0.59	-0.73	-1.12
. Broad Money to Reserve Money	3.33	3.62	3.74	3.92	8.71	3.11	4.92
Other Monetary Ratios (%):							
. Currency to Narrow Money	39.66	39.08	37.34	34.10	-1.47	-4.46	-8.67
. Currency to Broad Money	17.86	16.28	14.98	12.89	-8.83	-8.02	-13.92
. Narrow Money to Broad Money	45.03	41.66	40.11	37.81	-7.47	-3.72	-5.75
. Quasi Money to Broad Money	54.97	58.34	59.89	62.19	6.12	2.66	3.85
M2/GDP Ratio*	0.28	0.29	0.29	0.31	1.93	1.86	6.59

Source: National Bank of Ethiopia (NBE)

* M2/GDP ratio was calculated on the basis of new GDP series.

Fig.V.3: Reserve Money

Source: National Bank of Ethiopia

4.2. Developments in Interest Rate

In 2016/17, both minimum and maximum deposit interest rates remained constant at 5.0 percent and 5.75 percent, respectively. Consequently, average interest rate on savings deposit remained at the preceding year level of 5.38 percent. Similarly, simple average lending interest rate remained the same at 12.75 percent; weighted annual average interest

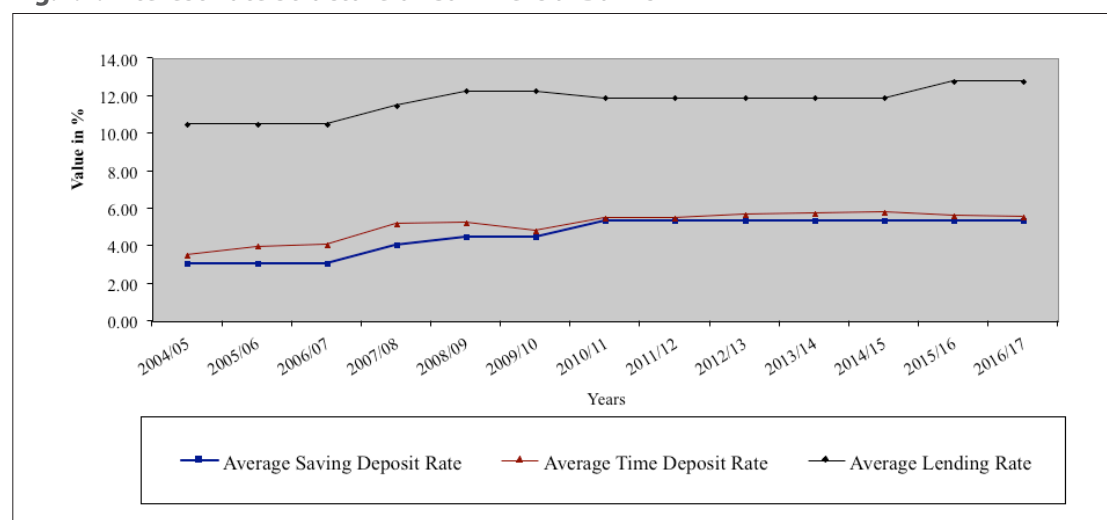
rates on time and demand deposits showed a slight increase to 5.54 and 0.04 percent, respectively.

However, the real rate of interest, except the lending rate, was negative as head line inflation stood higher than the deposit interest rates. Consequently, the average real interest rate stood at negative 3.43 percent for saving deposit, negative 3.26 percent for time deposit and positive 3.95 percent for lending interest rate (Table 4.4).

In percent per annum						
Rates	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
1. Deposit Rate						
1.1 Savings Deposit (Simple Average)	5.38	5.38	5.38	5.38	5.38	5.38
Minimum	5.00	5.00	5.00	5.00	5.00	5.00
Maximum	5.75	5.75	5.75	5.75	5.75	5.75
1.2 Time deposit (Weighted Average)	5.55	5.66	5.66	5.77	5.59	5.54
Up to 1 year	5.48	5.57	5.55	5.71	5.53	5.43
1 - 2 years	5.57	5.68	5.68	5.78	5.60	5.57
Over 2 years	5.61	5.74	5.74	5.81	5.64	5.63
1.3 Demand Deposit (Weighted Average)	0.02	0.03	0.03	0.04	0.04	0.04
2. Lending Rate (Average)	11.88	11.88	11.88	11.88	12.75	12.75
Minimum	7.50	7.50	7.50	7.50	7.50	7.50
Maximum	16.25	16.25	16.25	16.25	18.00	18.00
3. T-bills (Nominal)	1.25	1.86	1.59	1.43	1.44	1.42
4. Headline Inflation (Year-on-Year)	9.1	8.7	8.5	10.4	7.5	8.8
5. Real Rate of Interest on:						
5.1 Saving Deposit (1.1 - 4)	-3.75	-3.33	-3.09	-5.07	-2.15	-3.43
5.2 Time Deposit (1.2 - 4)	-3.57	-3.04	-2.81	-4.68	-1.94	-3.26
5.3 Lending (2 - 4)	2.75	3.17	3.41	1.43	5.22	3.95

Source: National Bank of Ethiopia

Fig.V.4: Interest Rate Structure of Commercial Banks



Source: National Bank of Ethiopia

4.3 Developments in Financial Sector

Banks, insurance companies and micro-finance institutions were the major financial institutions operating in Ethiopia. Of the 18 banks, 16 were private and 2 state-owned. Accordingly, the number of banks stood at 18, insurance companies 17 and micro finance institutions 35 by end June 2017.

Banks opened 956 new branches in 2016/17 there by raising the total number of branches to 4,257 from 3,301 a year earlier. As a result, bank branch to population ratio declined from 1:27,932⁴ people in 2015/16 to 1:22,164⁵ people in 2016/17. About 33 percent of bank branches were located in Addis Ababa.

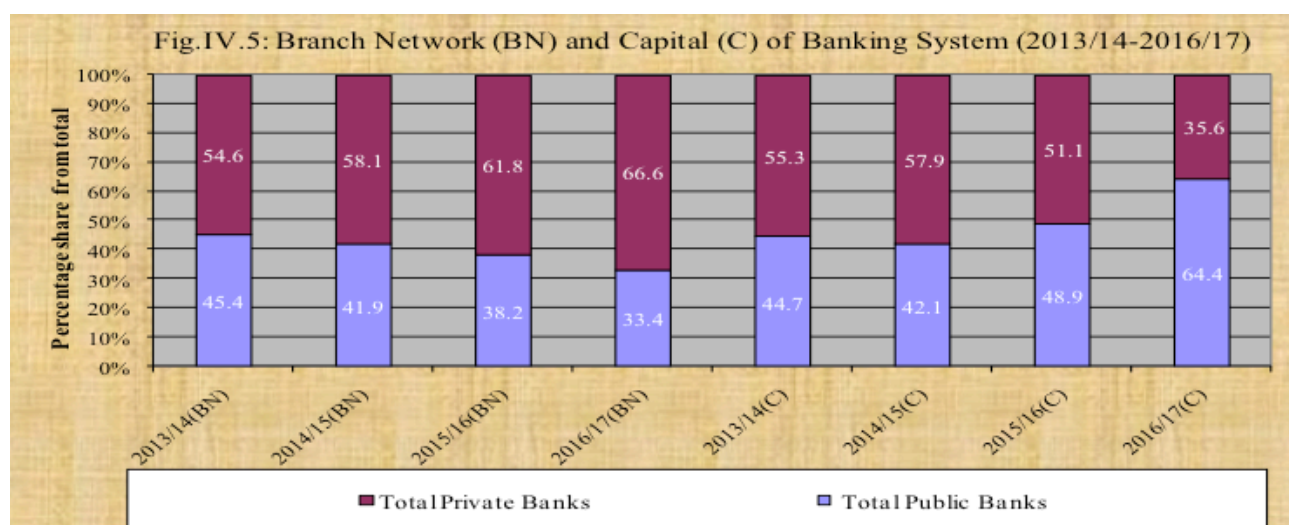
Major branch expansion was undertaken by Commercial Bank of Ethiopia (160 branches), followed by Cooperative Bank of Oromia (103 branches), Awash International Bank (94 branches), Berhan

International Bank (89 branches), Dashen Bank (83 branches) and Abyssinia Bank (77 branches). The share of private banks in total branch network rose to 66.6 percent from 61.8 percent last year, in line with the branch expansion target set for private banks in GTP II (Table 4.5).

Following a significant capital injection by Commercial Bank of Ethiopia, the total capital of the banking industry increased by 81.1 percent and reached Birr 78.0 billion by the end of June 2017 (Table 4.5).

Although the number of insurance companies remained at 17, their branches increased to 492 following the opening of 66 new branches. About 53.5 percent of insurance branches were situated in Addis Ababa and 84.8 percent of the total branches were private. Insurance companies increased their total capital by 20.7 percent to Birr 4.3 billion of which the share of Private insurance companies was 75.6 percent and that of public insurance company was 24.4 percent (Table 4.6).

Fig.IV.5: Branch Network and Capital of Banking System (2013/14-2016/17)



Source: Commercial Banks including DBE & Staff Computation

⁴ Taking total population 92,205,000 (CSA 2015/16).

⁵ Taking total population 94,352,000 (CSA 2016/17).

Table.4.5: Branch Network and Capital of the Banking System at the Close of June 30, 2017*(Branch in Number and Capital in Millions of Birr)*

Banks	Branch Network								Capital			
	2015/16				2016/17				2015/16		2016/17	
	Regions	Addis Ababa	Total	% Share	Regions	Addis Ababa	Total	% Share	Total Capital	% Share	Total Capital	% Share
1. Public Banks												
Commercial Bank of Ethiopia	888	262	1150	34.8	1028	282	1310	30.8	13,557.5	31.5	42,579.6	54.6
Development Bank of Ethiopia	106	4	110	3.3	106	4	110	2.6	7,500.8	17.4	7,595.1	9.7
Total Public Banks	994	266	1260	38.2	1134	286	1420	33.4	21058.3	48.9	50,174.7	64.4
2. Private Banks												
Awash International Bank	118	127	245	7.4	186	153	339	8.0	3,191.2	7.4	3,807.6	4.9
Dashen Bank	118	114	232	7.0	184	131	315	7.4	2,809.3	6.5	3,420.9	4.4
Abyssinia Bank	84	92	176	5.3	140	113	253	5.9	1,838.2	4.3	2,371.0	3.0
Wegagen Bank	95	66	161	4.9	139	84	223	5.2	2,431.1	5.6	2,824.5	3.6
United Bank	70	74	144	4.4	111	93	204	4.8	1,814.7	4.2	2,221.0	2.8
Nib International Bank	69	86	155	4.7	92	111	203	4.8	2,253.9	5.2	2,570.2	3.3
Cooperative Bank of Oromiya	139	45	184	5.6	232	55	287	6.7	1,182.7	2.7	1,281.7	1.6
Lion International Bank	75	46	121	3.7	110	48	158	3.7	787.2	1.8	1,163.5	1.5
Oromia International Bank	148	62	210	6.4	164	73	237	5.6	1,069.9	2.5	1,378.3	1.8
Zemen Bank	8	5	13	0.4	15	7	22	0.5	800.0	1.9	1,050.7	1.3
Buna International Bank	56	49	105	3.2	74	69	143	3.4	774.7	1.8	1,152.3	1.5
Berhan International Bank	43	45	88	2.7	114	63	177	4.2	805.9	1.9	1,536.3	2.0
Abay Bank	89	27	116	3.5	112	40	152	3.6	814.5	1.9	1,139.3	1.5
Addis International Bank	17	26	43	1.3	21	32	53	1.2	569.8	1.3	688.4	0.9
Debub Global Bank	17	11	28	0.8	19	19	38	0.9	270.9	0.6	373.1	0.5
Enat Bank	7	13	20	0.6	10	23	33	0.8	588.6	1.4	809.3	1.0
Total Private Banks	1,153	888	2,041	61.8	1,723	1,114	2,837	66.6	22,002.5	51.1	27,788.1	35.6
3. Grand Total Banks	2147	1154	3301	100	2,857	1400	4257	100.0	43,060.8	100.0	77,962.7	100.0

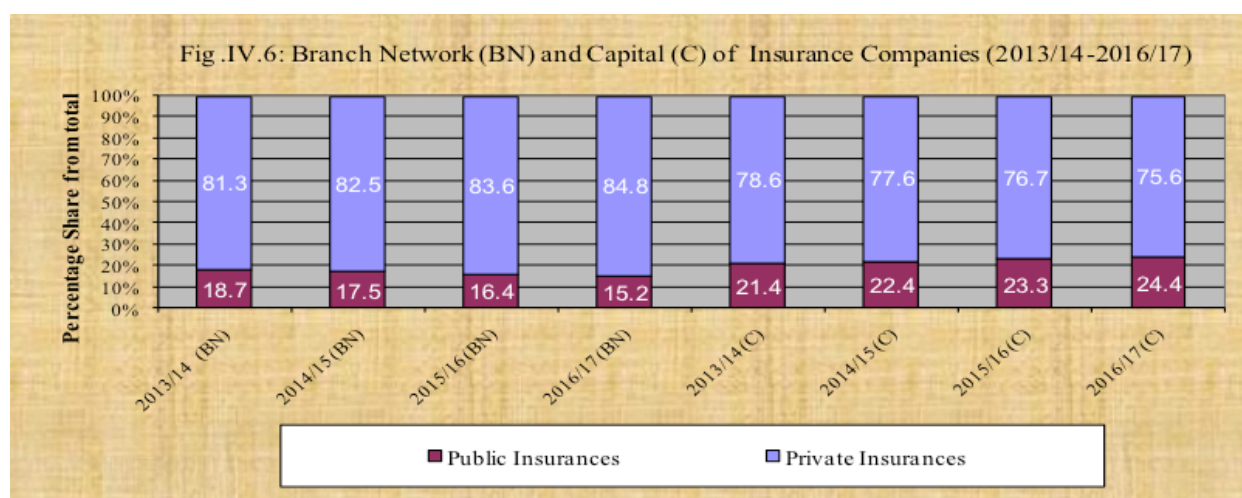
Source: Commercial Banks

Table.4.6: Branch Network & Capital of Insurance Companies as at June 30, 2017*(Branch in Number and Capital in Millions of Birr)*

No.	Insurance Companies	Branch						Capital		
		2015/16			2016/17			2015/16	2016/17	% Change
		A.A	Regions	Total	A.A	Regions	Total	A	B	B/A
1	Ethiopian Ins. Cor.	18	52	70	20	55	75	836.5	1,056.0	26.2
2	Awash Ins.Com.S.C.	24	14	38	26	15	41	292.3	400.0	36.9
3	Africa Ins.Com S.C.	11	11	22	14	13	27	240.9	271.0	12.5
4	National Ins. Co. of Eth.	15	14	29	19	15	34	100.0	111.0	11.0
5	United Ins.Com. S.C	18	10	28	20	11	31	322.5	334.0	3.6
6	Global Ins. Com.S.C	6	7	13	8	7	15	109.7	128.0	16.7
7	Nile Ins.Com.S.C	17	19	36	19	20	39	232.3	320.0	37.7
8	Nyala Ins.Com.S.C	13	10	23	15	15	30	327.8	391.0	19.3
9	Nib Ins. Com.S.C	21	9	30	24	13	37	316.3	328.0	3.7
10	Lion Ins. Com.S.C	15	13	28	16	15	31	91.2	83.0	-9.0
11	Ethio-Life Ins.Com.S.c	12	4	16	15	4	19	81.3	100.0	23.0
12	Oromia Ins.Com.S.c	17	16	33	18	19	37	165.6	215.0	29.8
13	Abay Insurance	10	9	19	12	11	23	160.6	217.0	35.1
14	Berhan insurance S.C	7	1	8	9	2	11	71.3	91.0	27.6
15	Tsehay Insurance S.C	8	4	12	10	5	15	80.3	98.0	22.0
16	Lucy	6	2	8	7	4	11	96.4	116.0	20.3
17	Bunna Insurance S.C.	10	3	13	11	5	16	64.6	73.0	13.0
	Total	228	198	426	263	229	492	3,590	4,332	20.7

Source: Insurance Companies

Note: A.A=Addis Ababa

Fig.IV.6: Branch Network and Capital of Insurance Companies (2013/14-2016/17)

Source: Insurance Companies & Staff Computation

The number of Micro-finance Institutions (MFIs) remained at 35 by end June 2017 while their total capital and total assets increased significantly by 20.8 and 35.1 percent, to reach Birr 10.7 billion and Birr 49.6 billion, respectively.

Their deposit mobilization and credit allocation also expanded remarkably. Compared to last year, their deposits surged by 42.8 percent and reached Birr

26.3 billion while their outstanding credit went-up by 28.5 percent to Birr 32.4 billion (Table 4.7).

Amhara, Dedebit, Oromiya, Omo and Addis Credit and Savings institutions were the major MFIs accounting for 83.7 percent of the total capital, 93.1 percent of the savings, 88.6 percent of the credit and 89.9 percent of the total assets of the MFIs sector.

Table 4.7: Microfinance Institutions Performance as of June 30, 2017 (In Thousands of Birr)

Particulars	2015/16	2016/17	% Change
	<i>A</i>	<i>B</i>	<i>B/A</i>
Total Capital	8,875,780.6	10,720,058.6	20.8
Saving	18,432,836.7	26,323,896.4	42.8
Credit	25,203,763.0	32,398,857.4	28.5
Total Assets	36,668,011.6	49,551,770.7	35.1
Source:MFIs			

4.3.1 Resource Mobilization

Total resources mobilized by the banking system in the form of deposit, borrowing and loan collection hiked by 55.2 percent and reached Birr 233.6 billion at the end of 2016/17 (Table 4.8). Aided by remarkable branch expansion, deposit liabilities of the banking system topped Birr 568.8 billion, reflecting 29.8 percent annual growth rate. Saving deposits grew by 35.2 percent followed by time deposits (26.4 percent) and demand deposits (24 percent). Of the total deposits, saving deposits accounted for 51.6 percent, demand deposits 37.3 percent and time deposits 11.1 percent (Table 4.9).

The share of private banks in deposit mobilization increased to 35.5 percent from 33.6 percent last year

mainly due to the opening of 796 new branches. CBE alone mobilized 64.4 percent of the total deposits due to its extensive branch network.

Raising funds through borrowing by the banking industry was not an important source of resource mobilization in Ethiopia as most of the banks were sufficiently liquid due to increased deposit mobilization and collection of loans.

As a result, total outstanding borrowing was Birr 39.8 billion of which domestic sources accounted for 87.9 percent and foreign sources 12.3 percent (Table 4.9).

On the other hand, banks' loan collection reached Birr 97.2 billion, showing a 25.9 percent annual increment, of which 55.9 percent was collected by private banks (Table 4.8).

Table 4.8: Annual Resource Mobilization & Disbursing Activities of Commercial Banks and DBE (Specialized Bank) as at June 30, 2017

(In Million of Birr)

Particulars	2014/15			2015/16			2016/17			Percent Change	
	Public Banks	Private Banks	Total (A)	Public Banks	Private Banks	Total (B)	Public Banks	Private Banks	Total (C)	C/A	C/B
1. Deposits (net change)	48,523.8	26,023.7	74,547.5	41,941.1	28,816.2	70,757.3	76,058.3	54,607.7	130,666.0	75.3	84.7
Demand	14,573.5	7,089.8	21,663.3	12,897.7	7,670.4	20,568.0	27,103.6	13,959.0	41,062.6	89.5	99.6
Savings	23,058.8	15,305.6	38,364.5	25,960.6	16,374.8	42,335.4	44,423.5	31,979.6	76,403.1	99.2	80.5
Time	10,891.5	3,628.3	14,519.7	3,082.8	4,771.0	7,853.8	4,531.2	8,669.1	13,200.3	(9.1)	68.1
2. Borrowing (net change)	4,193.3	-	4,193.3	2,551.8	-	2,551.8	5,751.5	-	5,751.5	37.2	125.4
Local	3,571.7	-	3,571.7	1,855.9	-	1,855.9	5,656.1	-	5,656.1	58.4	204.8
Foreign	621.6	-	621.6	695.8	-	695.8	95.4	-	95.4	(84.7)	(86.3)
3. Collection of Loans	27,982.1	32,032.2	60,014.2	33,722.8	43,463.9	77,186.7	42,899.1	54,270.0	97,169.1	61.9	25.9
4. Total Resources Mobilized (1+2+3)	80,699.1	58,055.9	138,755.0	78,215.6	72,280.1	150,495.8	124,708.9	108,877.7	233,586.6	68.3	55.2
5. Disbursement	41,913.2	33,567.8	75,481.0	49,626.3	38,396.8	88,023.1	48,386.6	60,624.6	109,011.2	44.4	23.8
6. Change in Liquidity (4-5)	38,786.0	24,488.1	63,274.1	28,589.4	33,883.3	62,472.6	76,322.3	48,253.1	124,575.5	96.9	99.4
Memorandum Item:											
7. Outstanding Credit	141,751.2	75,617.0	217,368.2	170,719.9	93,181.7	263,901.6	188,366.8	134,640.5	323,007.4	48.6	22.4

Source: Commercial Banks & Staff Computation

Table 4.9: Deposits and Borrowings of Commercial Banks and Specialized Bank as at June 30, 2017

(In Millions of Birr)

	2014/15	2015/16	2016/17	S/R	T/S
	R	S	T		
A. Deposits					
-Demand	150,451.5	171,019.5	212,082.1	13.7	24.0
-Savings	174,712.3	217,047.8	293,450.9	24.2	35.2
-Time	42,231.7	50,085.5	63,285.8	18.6	26.4
Total	367,395.4	438,152.7	568,818.7	19.3	29.8
B. Borrowings					
-Local	27,472.4	29,328.4	34,984.4	6.8	19.3
-Foreign	4,031.0	4,726.8	4,822.2	17.3	2.0
Total	31,503.4	34,055.2	39,806.6	8.1	16.9

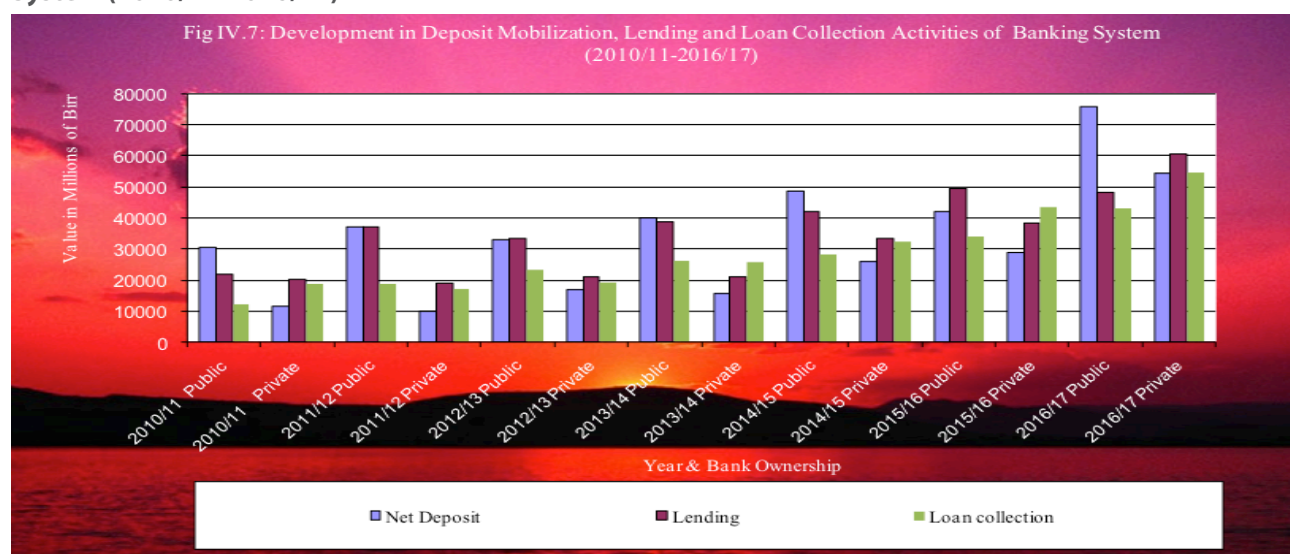
Source: Commercial Banks & Staff Computation

Table.4.10: Loans and Advances by Lenders 1/							(In Millions of Birr)		
Lenders	2015/16			2016/17			Percentage Change		
	D*	C*	O/S*	D*	C*	O/S*	D/A	E/B	F/C
	A	B	C	D	E	F			
A. Public Banks									
1. Commercial Bank of Ethiopia	43296.7	29614.0	138,854.3	42817.6	38126.6	154,164.0	-1.1	28.7	11.0
2. Development Bank of Ethiopia	6329.6	4108.8	31,865.6	5569.0	4772.5	34,202.8	-12.0	16.2	7.3
Sub-Total	49,626.3	33,722.8	170,719.9	48,386.6	42,899.1	188,366.8	-2.5	27.2	10.3
B. Private Banks									
4 Awash International Bank	4476.2	5383.3	15450.8	6642.8	6975.0	22576.3	48.4	29.6	46.1
5. Dashen Bank	5372.6	6727.7	12683.4	8694.1	7877.7	18078.9	61.8	17.1	42.5
6. Bank of Abyssinia	3025.6	2287.2	8149.0	5384.3	2881.2	14105.4	78.0	26.0	73.1
7. Wegagen Bank	3137.2	4888.2	7630.3	3945.0	5595.1	10367.5	25.7	14.5	35.9
8. United Bank	3174.0	5211.8	8534.4	4961.6	5989.5	11996.3	56.3	14.9	40.6
9. Nib International Bank	4041.2	3708.8	7647.1	6725.2	4555.4	10888.4	66.4	22.8	42.4
10. Cooperative Bank of Oromia	2182.8	3042.9	6177.3	7360.3	4647.1	9995.5	237.2	52.7	61.8
11. Lion Interenational Bank	2302.8	1851.5	4389.7	2663.4	2513.9	5598.3	15.7	35.8	27.5
12. Oromia International Bank	1572.4	1744.7	3403.8	1817.2	2103.4	4160.1	15.6	20.6	22.2
13. Zemen Bank	1647.6	2243.2	5258.3	3294.9	2882.3	7175.5	100.0	28.5	36.5
14. Berhan International Bank	2150.5	1920.2	3766.0	2741.1	2675.8	5366.7	27.5	39.3	42.5
15. Bunna International Bank	2031.6	1313.1	3675.2	2264.7	1491.6	5202.8	11.5	13.6	41.6
16. Abay Bank	1722.6	1567.8	3118.6	1902.3	1722.3	4274.3	10.4	9.9	37.1
17. Addis International Bank	382.9	438.6	1063.1	425.1	552.2	1581.3	11.0	25.9	48.7
18. Dehub Global Bank	546.6	481.9	599.3	654.6	617.5	794.3	0.0	0.0	0.0
19. Enat Bank	630.1	652.8	1635.3	1148.2	1190.0	2479.1	0.0	0.0	0.0
Sub-Total	38,396.8	43,463.9	93,181.7	60,624.6	54,270.0	134,640.5	57.9	24.9	44.5
Grand Total	88,023.1	77,186.7	263,901.6	109,011.2	97,169.1	323,007.4	23.8	25.9	22.4
Source: Commercial Banks									
1/ Outstanding Credit excludes central government borrowing									
D*=Disbursement, C*=Collection, O/S*= Outstanding Credit									

4.3.2 New Lending Activities

Commercial banks and Development bank of Ethiopia (DBE) disbursed Birr 109 billion in fresh loans which was 23.8 percent higher than a year ago. Of the total new loans, about 55.6 percent was provided by private banks and 44.4 percent by the two public banks (Table 4.10).

About 23 percent of the fresh loans went to industry followed by domestic trade (21.7 percent), housing and construction (12.5 percent), international trade (12.4 percent) and agriculture (12 percent) while other economic sectors accounted for 18.4 percent (Table 4.12).

Fig.IV.7: Development in Deposit Mobilization, Lending and Loan Collection Activities of the Banking System (2010/11-2016/17)

Source: Commercial Banks and DBE

Lenders	2015/16			2016/17			Percentage change		
	D*	C*	O/S*	D*	C*	O/S*			
	A	B	C	D	E	F	D/A	E/B	F/C
A.Public Banks									
1.Commercial Bank of Ethiopia	49.188	38.4	52.6	39.3	39.2	47.7	-20.1	2.3	-9.3
2.Development Bank of Ethiopia	7.191	5.3	12.1	5.1	4.9	10.6	-29.0	-7.7	-12.3
Sub-Total	56.4	43.7	64.7	44.4	44.1	58.3	-21.3	1.1	-9.9
B.Private Banks									
4 Awash International Bank	5.1	7.0	5.9	6.1	7.2	7.0	19.8	2.9	19.4
5. Dashen Bank	6.1	8.7	4.8	8.0	8.1	5.6	30.7	-7.0	16.5
6. Bank of Abyssinia	3.4	3.0	3.1	4.9	3.0	4.4	43.7	0.1	41.4
7. Wegagen Bank	3.6	6.3	2.9	3.6	5.8	3.2	1.5	-9.1	11.0
8. United Bank	3.6	6.8	3.2	4.6	6.2	3.7	26.2	-8.7	14.8
9. Nib International Bank	4.6	4.8	2.9	6.2	4.7	3.4	34.4	-2.4	16.3
10. Cooperative Bank of Oromia	2.5	3.9	2.3	6.8	4.8	3.1	172.3	21.3	32.2
11. Lion Interenational Bank	2.6	2.4	1.7	2.4	2.6	1.7	-6.6	7.9	4.2
12. Oromia International Bank	1.8	2.3	1.3	1.7	2.2	1.3	-6.7	-4.2	-0.1
13. Zemen Bank	1.9	2.9	2.0	3.0	3.0	2.2	61.5	2.1	11.5
14.Berhan International Bank	2.4	2.5	1.4	2.5	2.8	1.7	2.9	10.7	16.4
15.Bunna International Bank	2.3	1.7	1.4	2.1	1.5	1.6	-10.0	-9.8	15.7
16. Abay Bank	2.0	2.0	1.2	1.7	1.8	1.3	-10.8	-12.7	12.0
17. Addis International Bank	0.4	0.6	0.4	0.4	0.6	0.5	-10.4	0.0	21.5
18. Debub Global Bank	0.6	0.6	0.2	0.6	0.6	0.2	0.0	0.0	0.0
19. Enat Bank	0.7	0.8	0.6	1.1	1.2	0.8	0.0	0.0	0.0
Sub-Total	43.6	56.3	35.3	55.6	55.9	41.7	27.5	-0.8	18.1
Grand Total	100.0	100.0	100.0	100.0	100.0	100.0	0.0	0.0	0.0

Source: Commercial Banks

D*=Disbursement, C*=Collection, O/S*= Outstanding Credit

4.3.3 Outstanding Loans

Total outstanding credit of the banking system, including to the central government increased by 30.4 percent and reached Birr 365.6 billion at the end of June 2017. Excluding central government, credit to industry accounted for 40.2 percent followed by

international trade (16.2 percent), domestic trade (13 percent), housing and construction (11.8 percent) and agriculture (6.2 percent) (Table 4.12). The share of private sector in outstanding credit was Birr 231.2 billion (or 63.2 percent) reflecting a 29.1 percent year-on-year growth (Table 4.13).

Table 4.12: Loans & Advances by Economic Sectors

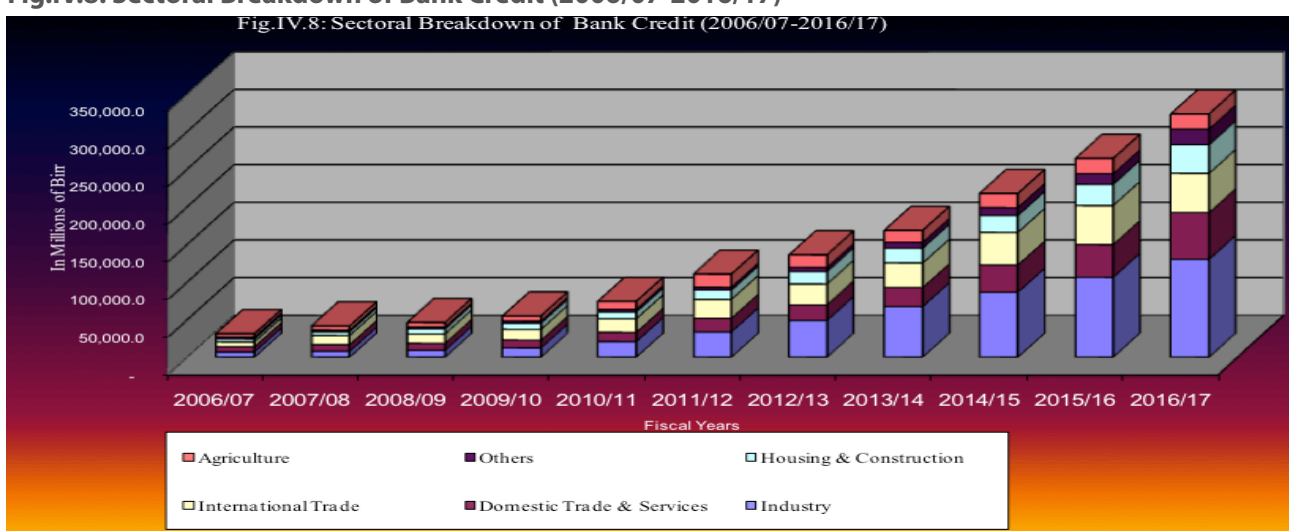
(In Millions of Birr)

Economic Sectors	2015/16			2016/17			Percentage Change		
	D*	C*	O/S*	D*	C*	O/S*	D*	C*	O/S*
	A	B	C	D	E	F	D/A	E/B	F/C
Government Deficit Financing	0	0	16,471.6	0	0	42,593.8	-	-	158.6
Agriculture	13,375.7	12,863.4	20,377.5	13,133.7	13,962.6	20,041.8	(1.8)	8.5	(1.6)
Industry	25,495.6	15,954.1	106,164.0	25,035.6	20,942.8	129,977.7	(1.8)	31.3	22.4
Domestic Trade	15,040.5	15,297.7	28,550.6	23,608.9	18,399.2	41,830.1	57.0	20.3	46.5
International Trade	9,528.0	15,707.9	51,900.4	13,494.8	20,993.9	52,207.7	41.6	33.7	0.6
Export	4,404.9	8,429.6	23,028.4	6,062.2	10,478.0	30,017.5	37.6	24.3	30.3
Import	5,123.1	7,278.3	28,872.0	7,432.7	10,515.9	22,190.2	45.1	44.5	(23.1)
Hotels and Tourism	1,893.8	2,406.5	4,818.8	2,213.4	2,390.9	5,852.8	16.9	(0.6)	21.5
Transport and Communication	4,494.1	3,336.8	10,026.1	6,924.9	4,901.9	14,275.4	54.1	46.9	42.4
Housing and Construction	13,641.9	8,422.3	28,080.8	13,583.6	10,521.0	37,970.6	(0.4)	24.9	35.2
Mines, Power and Water resource	341.2	145.5	851.8	363.4	179.8	225.1	6.5	23.6	(73.6)
Others	3,160.8	2,393.9	10,297.7	8,452.9	3,938.9	16,373.4	167.4	64.5	59.0
Personal	1,051.4	652.9	2,779.6	2,199.8	938.1	4,252.8	109.2	43.7	53.0
Total	88,023.1	77,180.9	280,319.0	109,011.2	97,169.2	365,601.2	23.8	25.9	30.4

Source: Commercial Banks & Staff Computation

D*=Disbursement, C*=Collection, O/S*= Outstanding Credit

Fig.IV.8: Sectoral Breakdown of Bank Credit (2006/07-2016/17)



Source: Commercial Banks including DBE & Staff Computation

Table 4.13: Loans and Advances by Borrowers

(In Millions of Birr)

Borrowing Sector	2013/14	2014/15	2015/16	2016/17			Percentage change	
	O/S*	O/S*	O/S*	D*	C*	O/S*		
	A	B	C	E	F	G	G/B	G/C
Central Government	12,969.5	15,514.4	16,471.6	-	0.0	42,593.8	174.5	158.6
Public Enterprises	53,703.7	69,841.6	84,675.6	14,333.5	11,867.9	91,771.6	31.4	8.4
Cooperatives	12,664.7	13,850.7	13,704.4	13,421.8	13,730.6	13,477.1	-2.7	-1.7
Private & Individuals	101,920.7	133,618.1	165,467.4	81,255.9	71,570.6	217,758.7	63.0	31.6
Total	181,258.6	232,824.8	280,319.0	109,011.1	97,169.1	365,601.2	57.0	30.4

Source: Commercial Banks & Staff Computation

D*=Disbursement, C*=Collection, O/S*= Outstanding Credit

4.4. Financial Activities of NBE

As of June 2017, gross claims of NBE on the central government reached Birr 135.6 billion which was 24.3 percent higher than a year earlier. Of the total credit to the central government, direct advance accounted for 94.2 percent and bond 5.8 percent.

Similarly, NBE's outstanding claims on DBE was Birr 26.6 billion showing a 3.9 percent increase over last year same period.

On the liability side, total deposits at NBE surged by 47 percent and stood at Birr 76 billion, as a result of 51.3 percent growth in deposits of financial institutions and 35.5 percent of rise in government deposits (Table 4.14).

4.5 Developments in Financial Markets

Despite the nonexistence of secondary market, government bonds are occasionally issued to finance government fiscal operations and/or to absorb excess liquidity in the banking system. Treasury Bills are the major financial instruments traded in the primary market.

4.5.1 Treasury Bills Market

The amount of Treasury bills offered and demanded in the Treasury-bill market tended to grow simultaneously during the review fiscal year. The amount of Treasury-bills offered registered a 42.6 percent annual growth and reached Birr 210.4 billion while the amount of T-bills demanded in the weekly

Table 4.14: Financial Activities of National Bank of Ethiopia at the Close of June 30, 2017

(In Millions of Birr)

Particulars	2014/15	2015/16	2016/17	% Change	
	A	B	C	B/A	C/B
Loans and Advances (1+2)	115,532.3	134,687.4	162,247.8	16.6	20.5
1. Claims on Central Gov't	92,175.3	109,080.4	135,640.8	18.3	24.3
1.1 Direct Advance	83,264.9	100,764.9	127,764.9	21.0	26.8
1.2 Bonds	8,910.4	8,315.5	7,875.9	-6.7	-5.3
2. Claims on DBE	23,357.0	25,607.0	26,607.0	9.6	3.9
3. Deposit Liabilities	43,077.7	51,697.0	75,987.7	20.0	47.0
3.1 Government	15,098.5	14,042.3	19,031.5	-7.0	35.5
3.2 Financial Institutions	27,979.2	37,654.7	56,956.2	34.6	51.3

Source: NBE and Staff Computation

auction market exhibited a 39.5 percent surge and stood at Birr 225.3 billion.

The amount of T-bills sold during the fiscal year was Birr 225.3 billion indicating a 10 percent oversubscription of T-bills worth Birr 15.0 billion. The maturity periods of T-bills extended from 28 days to 365 days.

Thus, the total outstanding T-bills went up by 28.0 percent and reached Birr 73.3 billion.

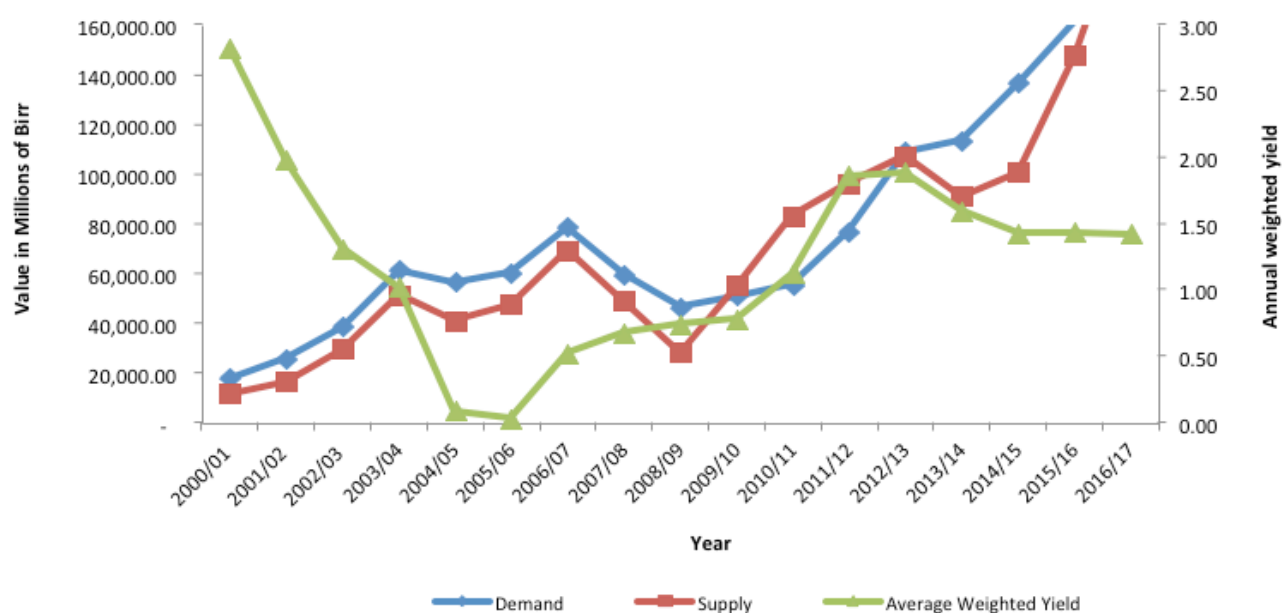
All the T-bill market participants were non-bank financial and public institutions where non-bank institutions accounted for the entire amount of the T-bills' outstanding (Table 4.15).

The average weighted yield slightly decreased to 1.424 percent from 1.438 percent a year earlier (Table 4.15). The highest yield (3 percent) was recorded for the 364-day T-bill and the lowest (0.67 percent) for 182-day T-bill.

Table 4.15: Results of Treasury Bills Auction

Particulars	2014/15		2015/16		2016/17		Percentage	Change
	A		B		C		B/A	C/B
Number of Bidders	248		217		200		-12.5	-7.8
Amount Demanded (Mn.Birr)	136,536.8		161,575.2		224,101.2		18.3	38.7
28-day bill	1,480.0		1,040.0		1,040.0		-29.7	0.0
91-day bill	111,938.8		140,517.2		207,443.2		25.5	47.6
182-day bill	14,498.0		6,802.0		2,402.0		-53.1	-64.7
364-day bill	8,620.0		13,216.0		13,216.0		53.3	0.0
Amount Supplied (Mn.Birr)	100,739.4		147,579.4		210,382.2		46.5	42.6
28-day bill	1,040.0		1,040.0		1,060.0		0.0	1.9
91-day bill	78,832.4		125,921.4		193,204.2		59.7	53.4
182-day bill	12,247.0		7,502.0		2,902.0		-38.7	-61.3
364-day bill	8,620.0		13,116.0		13,216.0		52.2	0.8
Amount Sold (Mn.Birr)	110,593.3		161,475.2		225,321.2		46.0	39.5
Banks	0.0		0.0		0.0		0.0	0.0
Non-Banks	110,593.3		161,475.2		225,321.2		46.0	39.5
Average Weighted Price for Successful bids(Birr)	99.183		99.088		99.100		-0.1	0.0
28-day bill	99.923		99.940		99.937		0.0	0.0
91-day bill	99.701		99.702		99.701		0.0	0.0
182-day bill	99.477		99.616		99.666		0.1	0.1
364-day bill	97.632		97.095		97.095		-0.5	0.0
Average Weighted Yeild for Successful bids(%)	1.434		1.438		1.424		0.3	-1.0
28-day bill	1.000		0.783		0.821		-21.8	4.9
91-day bill	1.203		1.198		1.203		-0.4	0.4
182-day bill	1.093		0.773		0.672		-29.3	-13.1
364-day bill	2.441		3.000		3.000		22.9	0.0
Outstanding bills at the end of period(Mn.Br.)	41,704.8	Share %	57,252.6	Share %	73,271.6	Share %	37.3	28.0
Banks	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-Banks	41,704.8	100.0	57,252.6	100.0	73,271.6	100.0	37.3	28.0
Public Servants Social Security Agency	19,371.6	46.4	30,566.6	53.4	41,015.6	56.0	57.8	34.2
Development Bank of Ethiopia	13,216.0	31.7	13,216.0	23.1	13,216.0	18.0	0.0	0.0
Private Organizations' Employees Social Security Agency	6,799.2	16.3	11,182.0	19.5	16,604.0	22.7	64.5	48.5
Other Public Non-Bank Institutions	2,318.0	5.6	2,288.0	4.0	2,436.0	3.3	-1.3	6.5

Source: NBE

Fig.IV.9: Treasury Bills Auction Result

Source: NBE

4.5.2 NBE Bill Market

Following the introduction of the NBE Bill market in April 2011, the total NBE bill purchased (net of redemption) by the banking sector reached Birr 55.7 billion at the end of 2016/17.

4.5.3. Bonds Market

Corporate bond purchase of CBE during 2016/17 showed a 11.5 percent annual growth and reached Birr 48.0 billion. At the same time, corporate bond

redeemed by regional government, City Governments, of Addis Ababa and Railway Corporation stood at Birr 74.7 million, 4.6 billion and Birr 78.6 million, respectively (Table 4.16).

As a result, total outstanding bond holdings registered an annual growth rate of 26.0 percent and reached to Birr 237.8 billion. The share of EEPKO in outstanding corporate bond reached 75.4 percent while that of City Government of Addis Ababa, Railway Corporation and Regional States was 24.6 percent.

Table 4.16: Disbursement, Redemption and Outstanding of Coupon and Corporate Bond of CBE

Particulars	2015/16	2016/17	Percentage Change
	A	B	B/A
1. Corporate Bond Purchases by holders	43,023.9	47,951.1	11.5
EEPCO	28,000.0	32,100.0	14.6
Regional governments	-	-	
Development Bank of Ethiopia	-	-	
City Government of Addis Ababa	12,575.0	12,300.0	-2.2
Railway Corporation	2,448.9	3,551.1	45.0
2. Redemption of Bonds by Clients	6,963.4	4,801.1	-31.1
EEPCO	0.0	-	
Regional governments	380.6	74.7	-80.4
Development Bank of Ethiopia	43.40	0.0	0.0
City Government of Addis Ababa	6,539.4	4,647.8	-28.9
Railway Corporation	-	78.57	
3. Outstanding Bonds by Clients	188,749.7	237,784.6	26.0
EEPCO	143,100.0	179,300.0	25.3
Regional governments	700.8	625.4	-10.8
City Government of Addis Ababa	29,500.0	38,937.8	32.0
Railway Corporation	15,448.9	18,921.4	22.5

Source: Commercial Bank of Ethiopia

4.5.4. Inter-bank Money Market

Since its introduction in September 1998, merely twenty three transactions worth Birr 259.2 million

were transacted in the interbank money market with interest rates ranging between 7 to 11 percent per year. The maturity period of those loans widely spanned from overnight to 5 years (Table 4.17).

Table 4.17: Interbank Money Market Transactions up to June 30, 2012

Borrower	Lender	Amount Borrowed (In Thousand Birr)	Interest Rate %	Date of Transaction	Maturity Period
Nib International Bank	Awash International Bank	7,000.0	11	16/11/00	Overnight
Wegagen Bank	Commercial Bank of Ethiopia	10,000.0	8	3/1/2001	5 years
Nib International Bank	"	10,000.0	8	3/31/2001	3 months
Wegagen Bank	"	10,000.0	8	3/22/2001	1 year
Nib International Bank	"	3,600.0	8	5/31/2001	6 months
Nib International Bank	"	3,700.0	8	06/31/01	6 months
Nib International Bank	"	778.0	8	30-11-2001	6 months
Nib International Bank	Bank of Abyssinia	28,999.8	7	31/12/02	3.5 months
Nib International Bank	Bank of Abyssinia	19,046.9	7	31/01/03	3.5 months
Nib International Bank	Bank of Abyssinia	20,310.0	7	28/02/03	3.5 months
Nib International Bank	Bank of Abyssinia	28,987.0	7	31/03/03	3.5 months
Nib International Bank	Commercial Bank of Ethiopia	25,000.0	7.5	7/7/2003	5.2 months
Nib International Bank	Bank of Abyssinia	50.1	7.5	26/03/2005	open
Nib International Bank	Bank of Abyssinia	50.5	7.5	26/03/2005	open
Wegagen Bank	Awash International Bank	19,744.6	7.5	December, 2006	21/05/07
Wegagen Bank	Awash International Bank	19,870.4	7.5	January, 2007	21/05/07
Wegagen Bank	Awash International Bank	10,937.2	7.5	February, 2007	21/05/07
Awash International Bank	Nib International Bank	30,000.0	7.5	February, 2007	18/08/07
Wegagen Bank	Awash International Bank	10,931.4	7.5	March, 2007	21/05/07
Nib International Bank	Awash International Bank	142.0	8.5	January, 2008	25/4/08
Nib International Bank	Awash International Bank	7.0	8.5	February, 2008	25/04/08
Nib International Bank	Awash International Bank	3.0	8.5	March, 2008	25/04/08
Nib International Bank	Awash International Bank	17.0	8.5	April, 2008	25/04/08
Total/Average	-	259,174.8	7.87	-	-

Source: NBE

V. DEVELOPMENTS IN EXTERNAL SECTOR



V. DEVELOPMENTS IN EXTERNAL SECTOR

5.1 Overall Balance of Payments

The overall balance of payments registered USD 658.6 million surplus in 2016/17 compared to USD 830.9 million deficit a year earlier. This was a reflection of the narrowing trade deficit as a result of a 5.5 percent drop in merchandise import aided by 1.4 percent increase in merchandise export.

Net services registered USD 546.9 million deficit in contrast to USD 619.0 deficit last year. Hence, current account deficit (including official transfers) slightly narrowed to USD 6.5 billion from USD 6.7 billion a year ago and its ratio to GDP was estimated at 8.1 percent.

Table 5.1: Balance of Payments¹

(In Millions of USD)

S/N	Particulars	2014/15*	2015/16*	2016/17	Percentage Change	
		A	B	C	B/A	C/B
1	Exports, f.o.b.	3,019.1	2,867.7	2,907.5	-5.0	1.4
	Coffee	780.5	722.7	883.2	-7.4	22.2
	Other	2,238.7	2,145.0	2,024.3	-4.2	-5.6
2	Imports	16,458.6	16,725.2	15,802.6	1.6	-5.5
	Fuel	2,040.9	1,339.0	1,823.6	-34.4	36.2
	Cereals	601.6	1,032.7	554.1	71.6	-46.3
	Aircraft	190.6	162.9	150.3	-14.5	-7.7
	Imports excl. fuel, cereals, aircraft	13,625.5	14,190.6	13,274.5	4.1	-6.5
3	Trade Balance (1-2)	-13,439.5	-13,857.5	-12,895.1	3.1	-6.9
4	Services, net	-351.7	-619.0	-546.9	76.0	-11.6
	Non-factor services, net	-78.9	-245.3	-61.3	210.9	-75.0
	Exports of non-factor services	3,028.4	3,196.4	3,331.1	5.5	4.2
	Imports of non-factor services	3,107.3	3,441.8	3,392.5	10.8	-1.4
	Income, net	-272.8	-373.7	-485.6	37.0	29.9
	O/w Gross official int. payment	259.4	374.7	455.2	44.4	21.5
	Dividend, net	-23.7	-12.1	-48.9	-48.8	303.7
5	Private transfers, net	4,881.6	6,428.6	5,485.3	31.7	-14.7
	o/w: Private Individuals	3,796.7	4,420.3	4,427.5	16.4	0.2
6	Current account balance excluding off. Transfers (3+4+5)	-8,909.51	-8,048.0	-7,956.8	-9.7	-1.1
7	Official transfers, net	1,507.9	1,391.1	1,428.3	-7.7	2.7
8	Current account balance including official transfers(6+7)	-7,401.6	-6,656.9	-6,528.4	-10.1	-1.9
9	Capital account	8,285.6	6,509.2	6,831.5	-21.4	5.0
	Off. Long-term Cap., net	3,352.3	1,627.6	1,401.6	-51.4	-13.9
	Disbursements	3,439.6	1,729.8	1,512.2	-49.7	-12.6
	Amortization	87.3	102.1	110.6	17.0	8.2
	Other pub. long-term cap.	2,346.8	1,052.0	626.3	-55.2	-40.5
	Private sector, long term	350.0	450.8	502.8		11.5
	Foreign Direct Investment(net)	2,202.17	3,268.69	4,170.80	48.43	27.6
	Short-term Capital	34.3	110.0	130.0	220.4	18.2
10	Errors and omissions	-1,405.4	-683.2	355.5		
11	Overall balance (8+9+10)	-521.4	-830.9	658.6		
12	Financing	521.4	830.9	-658.6		
13	Reserves [Increase(-), Decrease (+)]	521.4	830.9	-658.6		
14	Central Bank (NFA)	-92.9	975.6	-555.7		
	Asset	-663.1	-152.6	204.7		
	Liabilities	570.2	1,128.2	-760.4		
15	Commercial banks (NFA)	614.3	-144.7	-103.0		
16	Debt Relief					
	Principal					
	Interest					

Source: NBE Staff Compilation

¹ 2016/17 data are Preliminary

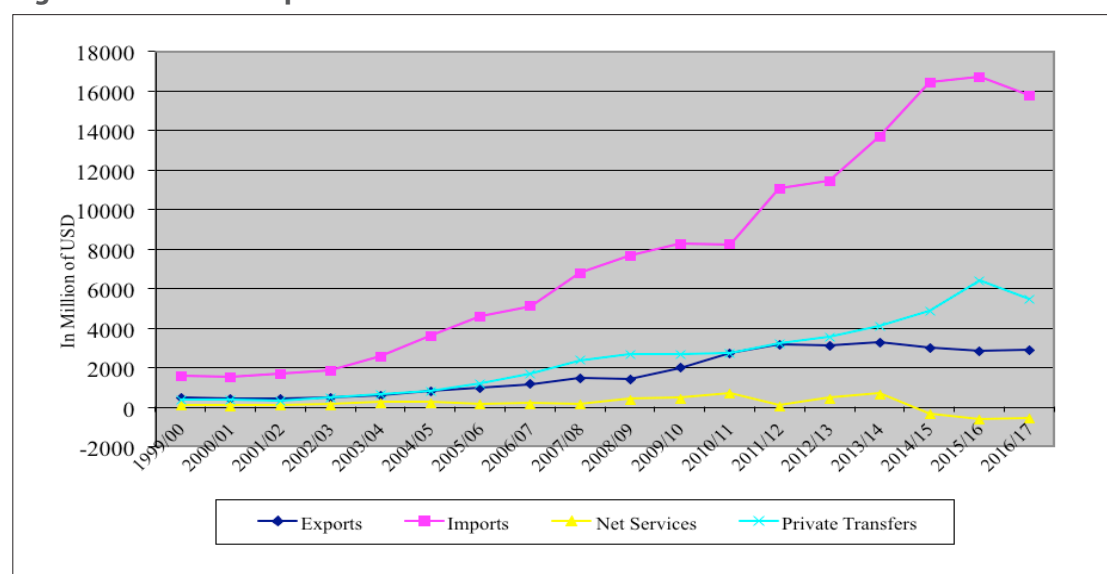
*Some items are revised

Table 5.2: Components of Current Account as Percentage of GDP

Particulars	FY 2014/15	FY 2015/16	FY 2016/17*	Percentage Change	
	A	B	C	B/A	C/B
Exports	4.7	4.0	3.6	-15.3	-8.8
Imports	25.5	23.1	19.6	-9.3	-15.0
Trade Balance	-20.8	-19.1	-16.0	-8.0	-16.3
Net Services	-0.5	-0.9	-0.7	61.7	-20.5
Net Private Transfers	7.6	8.9	6.8	17.5	-23.3
Current Account Deficit (excluding official transfers)	-13.8	-11.1	-9.9	-19.3	-11.1
Current Account Deficit (including official transfers)	-11.5	-9.2	-8.1	-19.7	-11.8

Source: NBE Staff Compilation

*GDP is a forecast

Fig.V.1: Trends in Components of Current Account

Source: NBE Staff Computations

5.2. Developments in Merchandise Trade

5.2.1 Balance of Trade

Merchandise trade deficit in 2016/17 was USD 12.9 billion, which showed a 6.9 percent improvement over the preceding fiscal year mainly due to slowdown in total import bills coupled with marginal increase in merchandise export. Yet, merchandise trade deficit as a ratio of GDP dropped by 3.1 percentage points and stood at 16.0 percent.

5.2.2 Merchandise Export

Total merchandise export (including electricity) increased by 1.4 percent year-on-year due to higher export earnings from coffee (22.2 percent), pulses (20.5 percent), chat (4.0 percent), fruit and vegetables (4.5 percent), meat & meat product (2.3 percent), electricity (133.0 percent) and other export items (33.4 percent). Thus, the ratio of merchandise export to GDP declined to 3.6 percent from 4.1 percent a year ago.

Export earnings from coffee increased owing to 7.5 percent rise in international price and 13.6 percent increase in export volume. As a result, the share of coffee in total merchandise export rose to 30.4 percent from 25.2 percent a year ago. Receipts from oilseeds declined by 26.4 percent and reached USD 351 million on account of 3.7 percent drop in international price and 23.6 percent decrease in export volume. Hence, the share of oilseeds in total merchandise export was down to 12.1 percent.

Likewise, gold generated USD 208.8 million, about 28.2 percent lower than last year as a result of a 30.4 percent slowdown in volume despite a 3.2 percent growth in international price. As a result, the share of gold in total merchandise export stood at 7.2 percent.

Revenue from chat export increased by 4.0 percent as export volume rose by 3.9 percent despite 0.1 percent decline in international price. Hence, the share of chat export in total merchandise export went up to 9.4 percent. In contrast, revenue from export of live-animals declined by 54.2 percent as a result of a significant (53.6 percent) drop in export volume and 1.3 percent fall in international price. Therefore, the share of live-animals in total merchandise export earnings decreased to 2.3 from 5.2 percent a year ago.

Export earnings from leather & leather products decreased by 1.1 percent due to a 1.6 percent fall in export volume despite 0.5 percent rise in international price. Consequently, the share of leather & leather products in total export revenue stood at 3.9 percent.

Electricity export earnings surged by 133.0 percent over last year same period owing to 155.3 percent hike in export volume despite 8.8 percent hike in price. As a result, the share of electricity in total merchandise export earnings increased to 2.5 percent from 1.4 percent last year same period.

Earnings from pulses increased by 20.5 percent to USD 279.9 million due to 4.6 percent rise in export volume and 15.1 percent increase in price. Thus, the share of pulses in total merchandise export revenue increased to 9.6 percent from 8.1 percent a year earlier.

Conversely, export proceeds from flower went down by 3.0 percent as both export volume and international price fell by 2.5 and 0.5 percent, respectively. Hence, the share of flower in total export earnings decreased to 7.5 percent from 7.9 percent last year same period.

Receipts from meat & meat products showed a 2.3 percent annual growth mainly on account of a 3.2 percent increase in export volume despite a 0.8 percent decline in price. As a result, the share of meat & meat products in total merchandise export earnings stood at 3.4 percent.

Export earnings from fruits and vegetables increased by 4.5 percent vis-à-vis last year same period due to 6.9 percent rise in export volume in contrast to 2.2 percent decline in international price. Thus, the share of fruits and vegetables in total merchandise export earnings reached 1.9 percent during the review period.

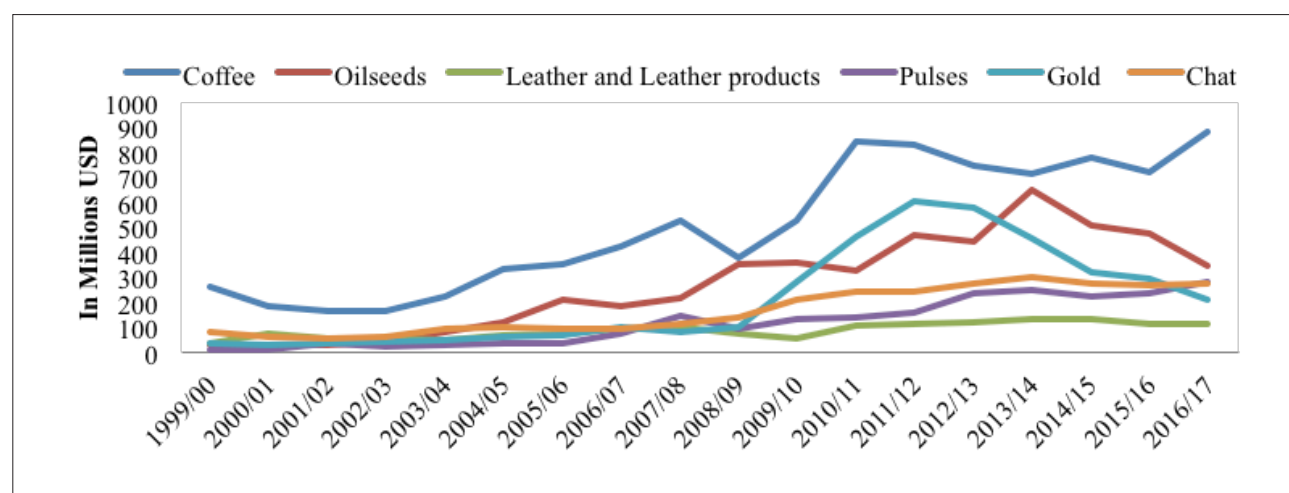
Table 5.3: Values of Major Export Items

(In millions of USD)

Commodities	2014/15		2015/16		2016/17		Percentage Change	
	A	%share	B	%share	C	%share	B/A	C/B
Coffee	780.5	25.8	722.7	25.2	883.2	30.4	-7.4	22.2
Oilseeds	510.1	16.9	477.2	16.6	351.0	12.1	-6.4	-26.4
Leather & Leather Products	131.6	4.4	115.3	4	114.0	3.9	-12.4	-1.1
Pulses	219.9	7.3	232.4	8.1	279.9	9.6	5.7	20.5
Meat & Meat Products	92.8	3.1	96.4	3.4	98.7	3.4	3.9	2.3
Fruits & Vegetables	47.6	1.6	53.7	1.9	56.1	1.9	12.9	4.5
Live Animals	148.5	4.9	147.8	5.2	67.6	2.3	-0.5	-54.2
Chat	272.4	9	262.5	9.2	273.0	9.4	-3.7	4.0
Gold	318.7	10.6	290.7	10.1	208.8	7.2	-8.8	-28.2
Flower	203.1	6.7	225.3	7.9	218.5	7.5	10.9	-3.0
Electricity	42.6	1.4	31.5	1.1	73.4	2.5	-26.2	133.0
Others	251.4	8.3	212.3	7.4	283.2	9.7	-15.6	33.4
Total Export	3019.3	100	2867.7	100	2907.5	100	-5.0	1.4
Total Export Excluding Electricity	2976.5		2836.3		2834.11		-4.7	-0.1

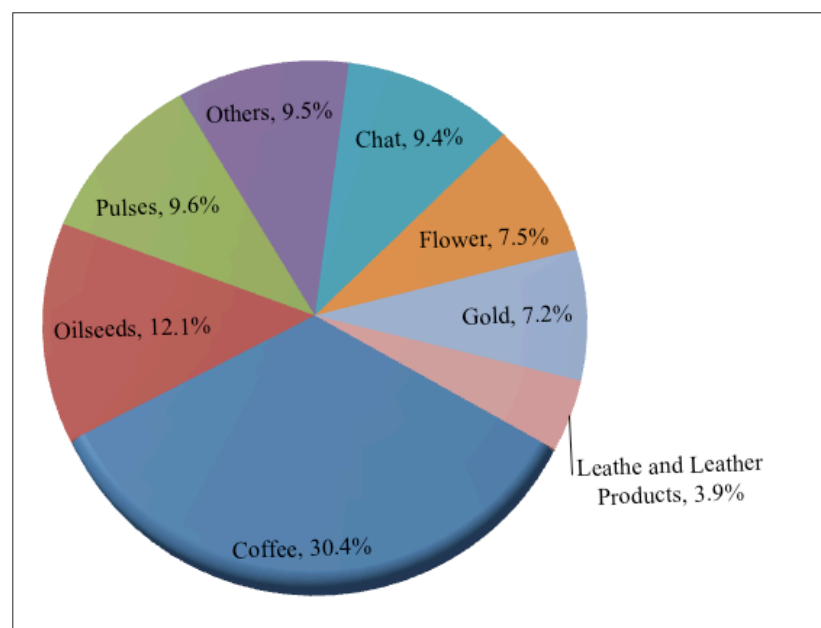
Source: Ethiopian Revenue and Customs Authority and Ethiopian Electric Power

Fig.V.2: Foreign Exchange Earnings from Selected Export Items



Source: NBE Staff Computation

Fig.V.3: Export Share of Selected Commodities



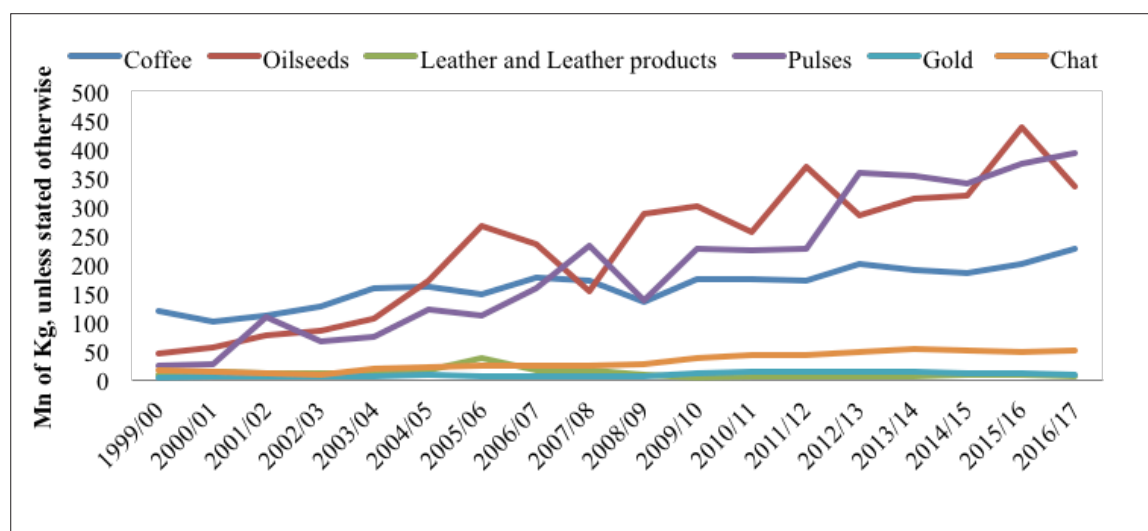
Source: NBE Staff Computation

Table 5.4: Volume of Major Exports

(In millions of kg unless stated otherwise)

Particulars	2014/15	2015/16	2016/17	Percentage Change	
	A	B	C	B/A	C/B
Coffee	183.9	198.7	225.7	8.0	13.6
Oilseeds	319.5	436.6	333.5	36.7	-23.6
Leather and Leather Products	6.2	6.0	5.9	-3.1	-1.6
Pulses	340.7	375.4	392.7	10.2	4.6
Meat & Meat Products	19.0	19.0	19.6	-0.4	3.2
Fruits & Vegetables	150.1	167.1	178.6	11.3	6.9
Live Animals	77.9	77.8	36.1	-0.1	-53.6
Chat	49.2	47.0	48.8	-4.5	3.9
Gold(millions of grams)	9.0	8.6	6.0	-5.1	-30.4
Flower	46.3	50.6	49.4	9.3	-2.5
Electricity (millions of kwh)	729.8	511.3	1305.5	-29.9	155.3

Source: Ethiopian Revenue and Customs Authority and Ethiopian Electric Power

Fig.V.4: Export Volume of Selected Commodities

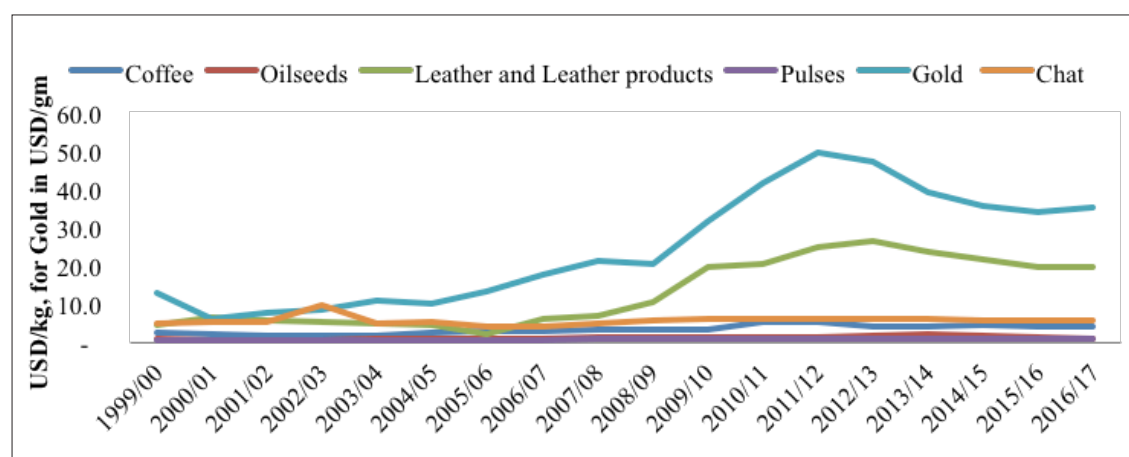
Source: NBE Staff Computation

Table 5.5: Unit Value of Major Export Items

(In USD/kg unless stated otherwise)

Particulars	2014/15	2015/16	2016/17	Percentage Change	
	A	B	C	B/A	C/B
Coffee	4.2	3.6	3.9	-14.3	7.5
Oilseeds	1.6	1.1	1.1	-31.5	-3.7
Leather and Leather products	21.3	19.3	19.4	-9.6	0.5
Pulses	0.6	0.6	0.7	-4.1	15.1
Meat & Meat Products	4.9	5.1	5.0	4.3	-0.8
Fruits & Vegetables	0.3	0.3	0.3	1.4	-2.2
Live Animals	1.9	1.9	1.9	-0.4	-1.3
Chat	5.5	5.6	5.6	0.9	0.1
Gold (USD/gram)	35.3	33.9	35.0	-3.9	3.2
Flower	4.4	4.5	4.4	1.5	-0.5
Electricity(USD/ KWH)	0.06	0.1	0.1	5.42	-8.8

Source: Ethiopian Revenue and Customs Authority

Fig.V.5: Unit Value of Selected Export Commodities

Source: NBE Staff Computation

5.2.3. Import of Goods

Total merchandise import reached USD 15.8 billion showing a 5.5 percent decrease over last year same period mainly due to lower imports of capital, raw materials, semi-finished and consumer goods. Fuel import, however, increased during the fiscal year. Hence, total import to GDP ratio dropped to 19.6 percent from 23.6 percent a year ago.

Import of consumer goods stood at USD 4.9 billion, depicting a 7 percent

slowdown due to lower import payments for non-durable consumer goods by 13.7 percent. Import value of durable consumer goods, however, rose by 9 percent. Thus, the share of consumer goods in total merchandise import went down to 31.0 percent from 31.5 percent in the preceding year.

Similarly, import of semi-finished goods stood at USD 2.6 billion, about 9.5 percent lower than last year while that of textile fabrics import increased by 11.4 percent. As a result, the share of semi-finished goods in total merchandise import bills fell to 16.6 percent from 17.3 percent last year.

Total import of capital goods also declined by 11.7

percent due decline of imports of transport (6.9 percent), agricultural growth (9.1 percent) and industrial capital goods (13.1 percent). Thus, capital goods accounted for 38.2 percent of total merchandise imports compared to 40.8 percent last year.

Import of raw materials went down by 15.9 percent compared to last year and accounted for 0.8 percent of total merchandise imports.

Meanwhile, fuel import grew by 36.2 percent and amounted to USD 1.8 billion. This was attributed to 12.0 percent increase in fuel import volume and despite 16.2 percent increase in price. Hence, the share of fuel in total merchandise import increased to 11.5 percent from 8.0 percent a year earlier.

Table 5.6: Value of Imports by End Use

(In Millions of USD)

Particulars	2014/15		2015/16		2016/17		Percentage change	
	A	% share	B	% share	C	% share	B/A	C/B
Raw Materials	170.5	1.0	149.3	0.9	125.6	0.8	-12.4	-15.9
Semi-finished Goods	2578.4	15.7	2895.5	17.3	2620.6	16.6	12.3	-9.5
Fertilizers	502.9	3.1	430	2.6	367.9	2.3	-14.5	-14.4
Fuel	2040.9	12.4	1339	8.0	1823.7	11.5	-34.4	36.2
Petroleum Products	1985.1	12.1	1280.1	7.7	1743.7	11.0	-35.5	36.2
Others	55.9	0.3	58.9	0.4	80.1	0.5	5.4	35.9
Capital Goods	6882.3	41.8	6829.4	40.8	6032.1	38.2	-0.8	-11.7
Transport	1699.1	10.3	1535.6	9.2	1429.7	9.0	-9.6	-6.9
Agricultural	71.6	0.4	83.4	0.5	75.8	0.5	16.5	-9.1
Industrial	5111.6	31.1	5210.4	31.2	4526.7	28.6	1.9	-13.1
Consumer Goods	4510.9	27.4	5264.3	31.5	4898.3	31.0	16.7	-7.0
Durables	1608	9.8	1567.3	9.4	1707.8	10.8	-2.5	9.0
Non-durables	2902.9	17.6	3697	22.1	3190.5	20.2	27.4	-13.7
Miscellaneous	275.6	1.7	247.8	1.5	302.3	1.9	-10.1	22.0
Total Imports	16,458.6	100.0	16,725.2	100.0	15,802.6	100.0	1.6	-5.5

Source: Ethiopian Revenue and Customs Authority and Ethiopian petroleum Enterprise

5.2.4 Direction of Trade

Asia, Europe, Africa and America were the main destinations for Ethiopian exports. Asia accounted for 37.7 percent of Ethiopia's exports, of which, 20.7 percent was to China, 17.9 percent to Saudi Arabia, 10.9 percent to United Arab Emirates, 9.0 percent to Japan, 6.0 percent to Israel, 5.0 percent to South Korea, 4.8 percent to India, 4.4 percent to Pakistan, 2.3 percent to Indonesia, 1.9 percent to Yemen, 1.7 percent to Hong Kong and 1.3 percent to Taiwan. Altogether, these countries accounted for 86.0 percent of Ethiopia's total exports to Asia. The major exports to China constituted oilseeds, leather & leather products, coffee, mineral products, natural gums and textile materials. Saudi Arabia largely imported coffee, meat & meat products, live-animals, flower, oilseeds and spices while exports to United Arab Emirates were meat & meat products, pulses, oilseeds, coffee, mineral product, flower and food. Japan imported mainly coffee, oilseeds, flower, textile & garment. Oilseeds, coffee, chat, cereals and pulses went to Israel. The main exports to South Korea constituted coffee, oilseeds and leather and leather products, while exports to India were pulses, mineral products, oilseeds, chat, spices and leather & leather products.

Pakistan imported pulses, tea, spices and chat. Indonesia mainly Imported pulses, leather and leather products, spices and textile and garments. While Yemen imported pulses, oilseeds, live animals and spices. The main exports to Hong Kong were leather and leather products, oilseeds, chat, mineral products, coffee and animal products. Coffee, oilseeds and leather and leather products went to Taiwan.

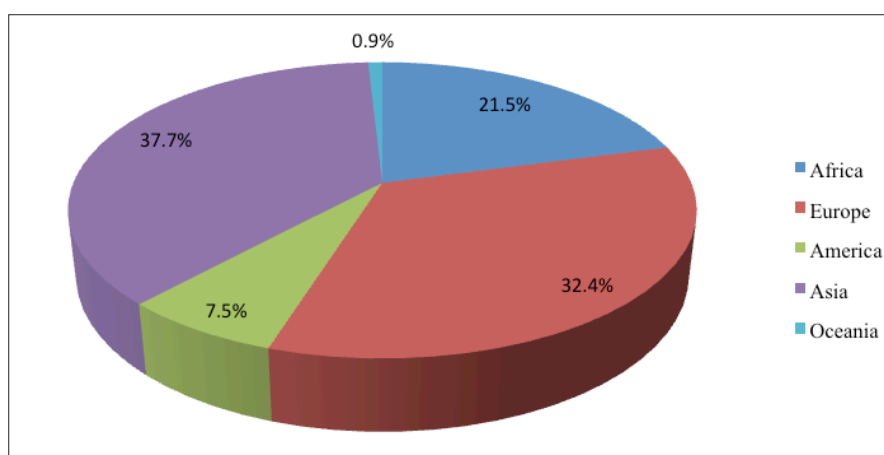
Europe accounted for 32.4 percent of Ethiopia's total exports during the review fiscal year. Within Europe, Switzerland constituted 22.3 percent, the Netherlands 19.7 percent, Germany 18.6 percent, Belgium 9.3 percent, Italy 6.4 percent, United Kingdom 6.1 percent and France 3.9 percent. These countries together

accounted for 86.2 percent of Ethiopian export to Europe.

The main exports to Switzerland were gold, coffee, oilseeds, textile and garment, food and beverage. While the Netherlands imported mainly flower, coffee, vegetables, pulses, oilseeds, fruits and textile & garment. Likewise, Germany chiefly imported coffee, textile & garment, flower, oilseeds, natural gum and pulses. While coffee, flower, pulse, oilseeds and beeswax were exported to Belgium. Italy imported largely coffee, textile & garment, leather & leather products, flower, pulses and oilseeds. While the major exports to UK constituted coffee, flower, leather & leather products, oilseeds, textile and garment, pulses and vegetables. Ethiopian exports to France were coffee, textile & garment, flower, pulses, mineral products and leather & leather products.

About 21.5 percent of Ethiopia's exports went to Africa, mainly to Somalia (42.7 percent), Djibouti (21.6 percent), Sudan (14.5 percent), Kenya (8.4 percent) and Nigeria (2.3 percent), which altogether accounted for 89.5 percent of the total exports to Africa. The major exports to Somalia were chat, vegetables, live-animals, fruits and pulses, while chat, electricity, live animals, vegetables and fruits went to Djibouti. Sudan imported largely electricity, coffee, spices, pulses and textile & garment. The main exports to Kenya included cereals, pulses, leather & leather products, tea and textile & garment, while fruit, chat, animal product, flower and vegetables were exported to Nigeria.

America accounted for 7.5 percent of Ethiopia's total exports, of which 87.3 percent was destined to the United States and 5.5 percent to Canada. Coffee, leather & leather products, oilseeds, textile & garments, flower, food and mineral products were the major exports to the United States, while coffee, leather & leather products, flower, food, oilseeds and textile and garments exported to Canada.

Fig.V.6: Export by Destination

Source: NBE Staff Compilation

In terms of merchandise imports, about 62.6 percent originated from Asia, 22.1 percent from Europe, 8.3 percent from America and 3.9 percent from Africa.

The major import origins in Asia were China (50.7 percent), India (11.8 percent), Kuwait (7.4 percent), Japan (6.9 percent), Saudi Arabia (4.7 percent), United Arab Emirates (3.7 percent), Malaysia (3.0 percent) and Indonesia (2.9 percent) whose combined share was 91.0 percent.

Major imports from China included aircraft parts, metal & metal products, electrical materials, road motor vehicles, cloths and textiles. Likewise, metal & metal products, grain, fertilizer and machines including aircraft parts were the major imports from India. Petroleum products, chemical and fertilizer were the major import items from Kuwait. Imports from Japan constituted road motor vehicles, aircraft parts, metal & metal products and rubber product. Petroleum products were the major Ethiopian imports from Saudi Arabia. Similarly, imports from United Arab Emirates were petroleum products, metal & metal products, chemicals and rubber products. Machines including aircraft parts, soap & polish and electric materials were the major imports from Malaysia. Imports from Indonesia included soap & polish, paper & paper products, textile, chemicals and electric materials.

Imports from Europe accounted for 22.5 percent of Ethiopia's total imports with the major countries of origin being Italy (19.5 percent) Turkey (15.2

percent), Sweden (11.6 percent), Germany (7.2 percent), Belgium (5.9 percent), France (5.7 percent), the Netherlands (5.6 percent), United Kingdom (4.7 percent), Spain (4.5 percent) Ukraine (3.1 percent) and Romania (2.4 percent). These countries jointly constituted 85.7 percent of Ethiopia's imports from Europe.

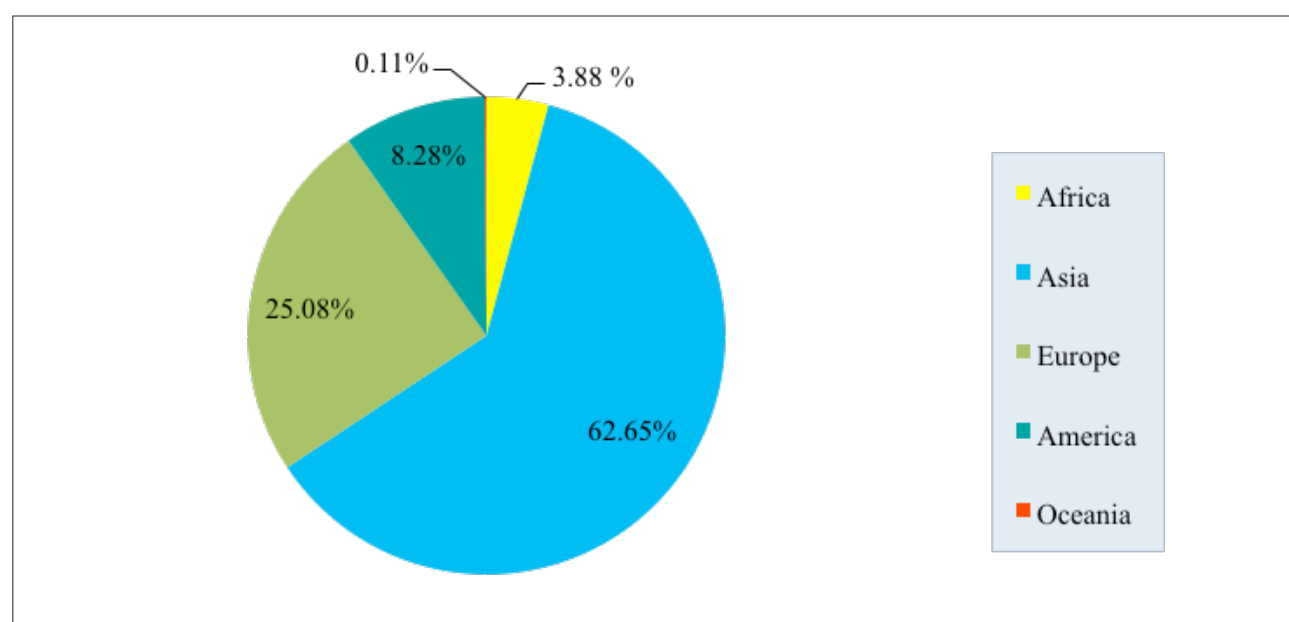
Major imports from Italy included machine and aircraft parts, road motor vehicles, fertilizer, metal & metal products, electric materials and food & live-animals. Imports from Turkey were metal & metal products, aircraft parts, electrical materials, rubber products and fertilizer. Telecom apparatus, electrical materials, road motor vehicles and aircraft parts were the main imports from Sweden. Imports from Germany were aircraft parts, road motor vehicles, electrical materials and metal & metal products, While Belgium exported largely aircraft parts, medical & pharmaceuticals products and fertilizer. Aircraft parts, electric materials and Metal & metal products were the main imports from France. Import from Netherlands included fertilizer, aircraft parts and Food and Live Animals The major imports from United Kingdom were aircraft parts, electric materials, road and motor vehicles and Fertilizer. Road and motor vehicles, metal & metal products and aircraft parts were imported from the Spain. Imports from Ukraine were metal & metal products, food & live-animals, and aircraft. Food & live-animals, machines including aircraft parts, chemical and fertilizer were the main items imported from Romania.

Imports from America accounted for 7.8 percent of the total Ethiopian import bills, of which the United States accounted for 83.4 percent, Brazil 10.1 percent and Canada 5.9 percent. Machine and aircraft parts, Food & live-animals, electric materials, fertilizer and road and motor vehicles were the major imports from the United States. Machines including aircraft parts, road and motor vehicles, rubber products and food & live-animals were imported from Brazil. Aircraft parts and electric materials constituted the main imports from Canada.

Africa accounted for about 5.2 percent of Ethiopia's total imports. The major countries of origin were Morocco (30.6 percent), South Africa (24.8 percent),

Egypt (22.2 percent), Sudan (14.6 percent) and Kenya (4.2 percent) which jointly accounted for 96.3 percent of Ethiopia's imports from the continent. Major imports from Morocco included road and motor vehicles, Petroleum Product, Beverages and Electrical Material Petroleum Product, road and motor vehicles, Machine. & and Air Craft and Electrical Material were the major imports from South Africa. The major Imports from Egypt were Petroleum Product, soap & polish, Metal & metal products, and Food and Live Animals while, Sudan exported petroleum products and food & live-animals. Food & live-animals and machines including aircraft parts, were the main imports from Kenya.

Fig.V.7: Import by Origin



Source: NBE Staff Compilation

5.3 Services and Transfers

5.3.1 Services

In 2016/17, net services recorded USD 546.9 million deficit, compared to USD 619.0 million deficit a year ago. This was attributed to narrower deficit in net

travel (35.4 percent) and net other services (26.6 percent) coupled with improvement in government services (6.9 percent).

Table 5.7 Services Accounts

(In Millions of USD)

S/N	Particulars	2014/15	2015/16	2016/17	Percentage Change	
		A	B	C	D=B/A	E=C/B
1	Investment Income (2+5)	-272.8	-373.7	-485.6	37.0	29.9
2	Interest, net (3-4)	-249.1	-361.6	-436.6	45.2	20.8
3	Credit	10.3	13.1	18.5	27.4	41.1
4	Debit	259.4	374.7	455.2	44.4	21.5
5	Dividend, net	-23.7	-12.1	-48.9	-48.8	303.7
6	NON-FACTOR SERVICES, net (7-8)	-78.9	-245.3	-61.3	210.9	-75.0
7	Exports of non-factor services	3,028.4	3,196.4	3,331.1	5.5	4.2
	Travel	409.8	376.8	340.4	-8.1	-9.7
	Transport	2,186.9	2,228.6	2304.0	1.9	3.4
	Government	184.0	418.2	460.3	127.3	10.1
	Other	247.7	172.8	226.4	-30.3	31.0
8	Imports of non-factor services	3,107.3	3,441.8	3,392.5	10.8	-1.4
	Travel	326.1	442.5	382.9	35.7	-13.5
	Transport	1776.7	1697.5	1921.7	-4.5	13.2
	Government	1.7	58.1	75.5		29.9
	Other	1002.7	1243.6	1012.4	24.0	-18.6
9	Net Services (10+11+12+13+14)	-351.7	-619.0	-546.9	76.0	-11.6
10	Travel	83.7	-65.7	-42.5	-178.5	-35.4
11	Transport	410.2	531.1	382.3	29.5	-28.0
12	Government	182.2	360.1	384.8	97.6	6.9
13	Other	-755.0	-1070.8	-786.0	41.8	-26.6
14	Investment Income	-272.8	-373.7	-485.6	37.0	29.9

Source: MoFEC, Transport and Telecommunication Companies, NBE- FEMEMD and Staff Compilation.

5.3.2 Unrequited Transfers

Net transfers declined by 11.6 percent due to 14.7 percent drop in private transfers despite 2.7 percent increase in official transfers. The decline in net private transfers compared with the previous year was

attributed to lower transfers to NGO's (45.2 percent) albeit a slight increment in private individuals transfers (0.2 percent).

Table 5.8: Unrequited Transfers

(In Millions of USD)

S/N	Particulars	2014/15		2015/16		2016/17		Percentage Change	
		A	% share	B	% share	C	% share	B/A	C/B
1	Private Transfers	4,881.6	76.4	6,428.6	82.2	5,485.3	79.3	31.7	-14.7
1.1	Receipts	4,901.2	76.3	6,459.6	82.0	5,544.8	79.1	31.8	-14.2
	NGO's	1,104.5	17.2	2,039.2	25.9	1,117.2	15.9	84.6	-45.2
	Cash	1,017.0	15.8	1,207.7	15.3	922.4	13.2	18.8	-23.6
	Food	87.5	1.4	831.5	10.6	194.8	2.8	850.4	-76.6
	Other								
	Private individuals	3,796.7	59.1	4,420.3	56.1	4,427.5	63.1	16.4	0.2
1.2	Payments	19.6	53.8	31.0	56.5	59.5	60.9	58.4	91.6
2	Official Transfers	1,507.9	23.6	1,391.1	17.8	1,428.3	20.7	-7.7	2.7
2.1	Receipts	1,524.7	23.7	1,415.0	18.0	1,466.5	20.9	-7.2	3.6
	Cash	1,524.7	23.7	1,159.4	14.7	920.0	13.1	-24.0	-20.6
	Food								
	Other			255.6	3.2	546.5	7.8		113.8
2.2	Payments	16.9	46.2	23.9	43.5	38.1	39.1	42.0	59.4
	Total Receipts	6,426.0	100.0	7,874.6	100.0	7,011.2	100.0	22.5	-11.0
	Total Payments	36.4	100.0	55.0	100.0	97.6	100.0	50.8	77.6
3	Net Transfers	6,389.5	100.0	7,819.6	100.0	6,913.6	100.0	22.4	-11.6

Source: National Disaster Risk Management Commission, MoFEC and NBE

5.4. Current Account

The deficit in the current account balance, including official transfers, slightly narrowed to USD 6.5 billion in 2016/17 from USD 6.7 billion last year due to improvement in trade balance and net services as well as net official transfers.

5.5 Capital Account

The capital account showed USD 6.8 billion surplus which was 5.0 percent higher than that of last year, mainly due increase in private sector long term capital (11.5 percent), foreign direct investment (27.6 percent) and short term capital (18.2 percent). Official net long term capital and net other public long term capital, however, declined by 13.9 percent and 40.5 percent, respectively.

5.6 Changes in Reserve Position

Net foreign assets of the banking system recorded a USD 658.6 million increase due to growth both in net foreign assets of NBE and commercial banks. Thus,

gross international reserve was adequate to cover 2.4 months of imports of goods and non-factor services.

5.7 External Debt

Ethiopia's external debt stock reached USD 23.5 billion in 2016/17, depicting a 9.2 percent annual growth largely due to higher debt owed to multilateral and bilateral creditors. Hence, the country's external debt stock to GDP ratio stood at 29.2 percent. Its ratio to total receipts from export of goods and non-factor services rose to 3.8 from 3.5 a year ago. Commercial debt stock reached USD 6.4 billion showing a 0.6 percent annual decline and accounted for 27.4 percent of the total debt stock. Of the total debt stock, 38.6 percent was owed to multilateral and 34.0 percent to bilateral creditors. The country's external debt burden as measured by debt services to export of goods and non-factor services ratio increased slightly to 20.0 percent from 18.5 percent a year earlier.

Table 5.9: External Public Debt*

(In Millions of USD)

Particulars	2014/15	2015/16	2016/17	Percentage Change	
	A	B	C	D=B/A	E=C/B
Annual Debt	6,419.1	3,444.4	2,853.5	-46.3	-17.2
Debt Stock	19,091.9	21,510.6	23,492.1	12.7	9.2
Multilateral	6,484.7	7,719.6	9,067.2	19.0	17.5
Bilateral	5,904.9	7,318.2	7,993.7	23.9	9.2
Commercial	6,702.3	6,472.9	6,431.3	-3.4	-0.6
Debt Service	975.2	1,123.6	1,223.6	15.2	11.1
Principal repayments	720.0	765.0	820.9	6.3	7.3
Interest Payments	255.2	358.6	402.7	40.5	12.3
Debt Stock to GDP Ratio (in %)	29.6	29.7	29.2	0.5	-1.8
Debt stock to export of goods and non-factor services	3.2	3.5	3.8	12.4	6.2
Receipt from Goods & Non-factor Services	6,047.5	6,064.2	6,238.6	0.3	2.9
Debt service ratio (In percent)^{1/}	16.1	18.5	20.0	14.6	8.3
Arrears					
Principal					
Interest					
Relief					
Principal					
Interest					

Source: MoFEC and NBE

1/ GDP is a forecast

2/ Ratio of debt service to receipts from export of goods and non-factor services

*2014/15 and 2015/16 data are revised according to MoFEC statistics 2016/17 data are Preliminary

5.8 Developments in Foreign Exchange Markets

5.8.1 Developments in Nominal Exchange Rate

During 2016/17, the weighted average exchange rate of Birr in the inter-bank foreign exchange market was Birr 22.4137/USD, depicting a 6.2 percent annual depreciation (Table 5.10).

Table 5.10 Inter-Bank Exchange Rates of Birr per USD

Period	Average Weighted Rate	Amount Traded in millions of USD		Number of Trades	
		Total	o/w Among CBs	Total	o/w Among CBs
2014/15	20.0956	14.50	2.00	258.00	5.00
Qtr. I	19.7288	4.15	1.00	66.00	2.00
Qtr. II	19.9925	4.25	1.00	69.00	3.00
Qtr. III	20.2145	3.05	0.00	61.00	0.00
Qtr. IV	20.4466	3.05	0.00	62.00	0.00
2015/16	21.1059	12.65	0.00	253.00	0.00
Qtr. I	20.6965	3.15	0.00	63.00	0.00
Qtr. II	20.9497	3.25	0.00	65.00	0.00
Qtr. III	21.2059	3.10	0.00	62.00	0.00
Qtr. IV	21.5713	3.15	0.00	63.00	0.00
2016/17	22.4137	12.55	0.00	251.00	0.00
Qtr. I	21.9262	3.10	0.00	62.00	0.00
Qtr. II	22.2228	3.25	0.00	65.00	0.00
Qtr. III	22.5832	3.15	0.00	63.00	0.00
Qtr. IV	22.9225	3.05	0.00	61.00	0.00

Source: NBE, Foreign Exchange Monitoring & Reserve Management Directorate and staff compilation

In the retail foreign exchange market, the average buying and selling rates of Birr at forex bureaus both depreciated by 6.3 percent with spread margin of 1.96 percent.

Table 5.11: End Period Mid-Market Rates

(USD per Unit of Foreign Currency)

Currency	2014/15	2015/16	2016/17	Percentage change	
	A	B	C	B/A	C/B
Pound Sterling	1.5697	1.3433	1.2965	-14.42	-3.48
Swedish Kroner	0.1202	0.1175	0.1173	-2.19	-0.18
Djibouti Franc	0.0056	0.0056	0.0056	-0.05	0.02
Swiss Franc	1.0708	1.0198	1.0429	-4.76	2.26
Saudi Riyal	0.2666	0.2666	0.2666	0.00	0.01
UAE Dirhams	0.2723	0.2723	0.2722	0.00	-0.01
Canadian Dollar	0.8094	0.7696	0.8106	-4.92	5.33
Japanese Yen	0.0081	0.0097	0.0089	19.78	-8.95
Euro	1.1112	1.1083	1.1405	-0.26	2.91
SDR	1.4067	1.3954	1.3876	-0.80	-0.56

Source: Staff Compilation

In 2016/17, the end period mid-market exchange rate of the US dollar appreciated against Japanese Yen (9.0 percent), Pound Sterling (3.5 percent), SDR (0.6 percent), Swedish Kroner (0.2 percent) and UAE Dirham (0.01 percent). In contrast, it depreciated against Canadian Dollar (5.3 percent), Euro (2.9 percent), Swiss Franc (2.3 percent), Djibouti Franc (0.02 percent) and Saudi Riyal (0.01 percent) to US dollar appreciation vis-à-vis those currencies was mainly attributed to

stronger U.S. economic performance relative to other countries and divergence of U.S. growth and monetary policy prospects from key trading partners as well as bullish expectation of dealers. In addition to aforementioned reasons, the appreciation of USD specifically against Pound sterling was associated with Brexit. On the other hand, the depreciation of US dollar against Euro was related to the economic recovery of the Eurozone. (Table 5.11)

Table 5.12: End Period Mid-Market Rates

(Birr per Unit of Foreign Currency)

Currency	2014/15	2015/16	2016/17	Percentage change	
	A	B	C	B/A	C/B
USD	20.6688	21.9094	23.2237	6.00	6.00
Pound	32.4437	29.4309	30.1095	-9.29	2.31
Swedish Kroner	2.4838	2.5751	2.7248	3.68	5.81
Djibouti Franc	0.1160	0.1229	0.1303	5.95	6.02
Swiss Franc	22.1316	22.3429	24.2191	0.95	8.40
Saudi Riyal	5.5108	5.8416	6.1923	6.00	6.00
UAE Dirhams	5.6274	5.9650	6.3222	6.00	5.99
Canadian Dollar	16.7291	16.8612	18.8260	0.79	11.65
Japanese Yen	0.1682	0.2135	0.2061	26.97	-3.49
Euro	22.9671	24.2822	26.4866	5.73	9.08
SDR	20.6688	21.9094	32.2251	5.15	5.41

Source: Staff Compilation

The Birr also weakened against most international currencies, specifically, Canadian Dollar (11.7 percent), Euro (9.1 percent), Swiss Franc (8.4 percent), Swedish Kroner (5.8 percent), SDR (5.4 percent) and British Pound (2.3 percent). In addition, the Birr depreciated by 6.0 percent against USD, Djibouti Franc, Saudi Riyal and UAE Dirham. In contrast, it appreciated against Japanese Yen by 3.5 percent (Table 5. 12).

5.8.2. Movements in Real Effective Exchange Rate

Real effective exchange rate (REER) of the Birr has been appreciating since 2010/11 due to higher

domestic inflation relative to that of its major trading partners. In 2016/17, the REER appreciation was 7.9 percent compared to 1.1 percent a year earlier owing to strengthening of Birr against trading partners' currency and

rising domestic inflation. (Table 5.13)

On the other hand, the nominal effective exchange rate (NEER) of the Birr appreciated by 1.6 percent compared to 2.7 percent depreciation a year ago.

Table 5.13: Trends in Real and Nominal Effective Exchange Rates

Fiscal Year	REERI	NEERI	Percentage Change	
			REERI	NEERI
2008/09	140.7	67.5	-6.54	-8.7
2009/10	121.2	56.1	-13.84	-17.0
2010/11	122.8	42.9	1.33	-23.5
2011/12	139.4	43.2	13.49	0.7
2012/13	140.2	42.0	0.59	-2.7
2013/14	140.8	40.7	0.44	-3.3
2014/15	157.6	42.3	11.93	4.0
2015/16	159.3	41.2	1.1	-2.7
2016/17	171.9	41.8	7.9	1.6

Source: NBE Staff Compilation

N.B: An increase in REERI and NEERI indicates appreciation and vice versa.

Where: REERI = Real Effective Exchange Rate Index

NEERI = Nominal Effective Exchange Rate Index

5.8.3. Foreign Exchange Transactions

During 2016/17, USD 12.6 million was traded in the inter-bank foreign exchange market which was 0.8 percent lower than last year. All the foreign exchange traded in the inter-bank foreign exchange market was supplied by the National Bank of Ethiopia (Table 5.10).

Meanwhile, forex bureaux of commercial banks purchased foreign exchange to the tune of USD 318.1 million showing a 6.4 percent decline over the preceding year. Likewise, their foreign exchange sales fell by 1.0 percent to USD 192.7 million (Table 5.14).

Table 5.14: Foreign Exchange Transactions by Forex Bureaus of Commercial Banks

(In Millions of USD)

Name of Forex Bureau	2014/15		2015/16		2016/17		Percentage Change	
	A	B	C	D	E	F	E/C	F/D
	Purchases	Sales	Purchases	Sales	Purchases	Sales	Purchases	Sales
Commercial Bank of Ethiopia	292.96	100.82	262.02	93.50	242.05	84.48	-7.62	-9.65
Bank of Abyssinia	5.32	10.02	5.06	9.64	6.32	11.32	24.75	17.41
Dashen Bank	22.80	28.51	16.87	30.34	12.97	20.59	-23.10	-32.13
Awash International Bank	6.68	19.51	6.28	10.71	4.85	16.70	-22.69	55.94
Construction & Business Bank	4.36	3.03	3.09	1.72	0.00	0.00	-100.00	-100.00
Wegagen Bank	4.62	5.71	3.77	5.99	4.16	5.61	10.41	-6.30
United Bank	11.22	13.41	9.96	14.50	6.03	13.10	-39.46	-9.63
Development Bank	0.43	0.65	0.03	0.37	0.00	0.28	-99.37	-23.79
Nib International Bank	2.66	8.39	1.40	5.27	1.35	7.60	-3.91	44.14
Lion International Bank	2.21	2.62	19.04	4.77	25.59	5.61	34.41	17.56
Oromia International Bank	6.18	4.62	9.01	5.09	3.46	5.02	-61.60	-1.47
Zemen Bank	0.67	3.97	0.65	6.19	0.72	11.74	11.39	89.57
Cooperative Bank of Oromia	0.93	3.07	0.67	1.67	0.75	2.17	12.36	29.39
Buna International Bank	0.67	1.37	0.54	1.17	4.25	2.39	692.94	104.86
Birhan International Bank	0.33	0.45	0.14	0.47	0.68	2.38	372.49	408.93
Abay Bank	0.88	2.09	0.07	1.00	1.38	1.34	1966.67	34.01
Addis International Bank	0.95	0.96	0.78	1.55	3.20	1.55	308.93	-0.15
Debub Global Bank	0.29	0.27	0.16	0.36	0.07	0.29	-58.71	-20.32
Enat Bank	0.52	0.54	0.32	0.25	0.25	0.52	-21.42	104.38
Total	364.67	210.00	339.86	194.57	318.09	192.67	-6.41	-0.97
Average Exchange Rate	20.1003	20.4798	21.0910	21.5044	22.41	22.85	6.26	6.26

Source: Staff Compilation

VI. GENERAL GOVERNMENT FINANCE



VI. GENERAL GOVERNMENT FINANCE

6.1 General

Overall fiscal operations of the general government during 2016/17 F.Y resulted in Birr 60.1 billion deficit, compared to Birr 29.2 billion deficit a year earlier (Table 6.4).

Total revenue (including grants) depicted a 10.4 percent annual growth. While, revenue to GDP ratio decreased to 14.2 percent from 15.1 percent last year (Table 6.1).

General government expenditure in the review period also rose by 20.6 percent as a result of growth in both current and capital expenditures (Table 6.3).

The ratio of expenditure to GDP slightly increased to 18.2 percent from 17.9 percent of a year earlier (Table 6.1).

6.1: Measuring Fiscal Sustainability

(In Percent)

Fiscal Year	PD/GDP	IP/RR	Debt/GDP	R(Debt)	R(GDP)	Exp./GDP	Rev./GDP	R(OR)
2003/04	-3.0	7.8	36.3	10.4	18.0	23.9	16.2	24.8
2004/05	-4.5	6.5	38.2	29.4	22.9	23.5	14.7	11.1
2005/06	-4.7	5.4	37.8	22.3	23.6	22.5	15.0	26.3
2006/07	-3.7	5.5	36.3	25.5	30.6	20.9	12.8	11.6
2007/08	-2.9	3.8	32.5	29.3	44.4	19.1	12.1	36.7
2008/09	-0.9	3.2	26.9	11.5	35.1	17.4	12.1	34.8
2009/10	-1.3	2.9	27.5	17.1	14.2	18.8	14.2	34.1
2010/11	-1.6	2.8	26.8	29.8	33.4	18.6	13.7	28.3
2011/12	-1.2	2.2	25.6	39.5	46.1	16.8	13.9	48.8
2012/13	-2.0	2.4	27.4	23.4	15.5	18.1	14.6	20.6
2013/14	-2.6	2.6	28.6	28.4	21.1	17.5	13.8	17.8
2014/15	-2.5	2.9	31.8	31.1	16.6	18.6	15.1	27.7
2015/16	-1.9	3.1	32.1	24.6	23.6	17.9	15.1	23.6
2016/17	-3.3	3.2	34.9	28.7	18.2	18.2	14.2	11.3

Source: Staff Computation

PD = Primary Deficit

IP/RR = Share of interest payments in Recurrent revenue

Debt/GDP = Ratio of Domestic Debt to GDP

R(Debt) = Growth rate of Domestic Debt

R(GDP) = Growth rate of GDP at current market price

Exp./GDP = Ratio of General Government Expenditure to GDP

Rev./GDP = Ratio of General Government Revenue to GDP

R(OR) = Growth rate of ordinary Revenue

6.2 Revenue and Grants

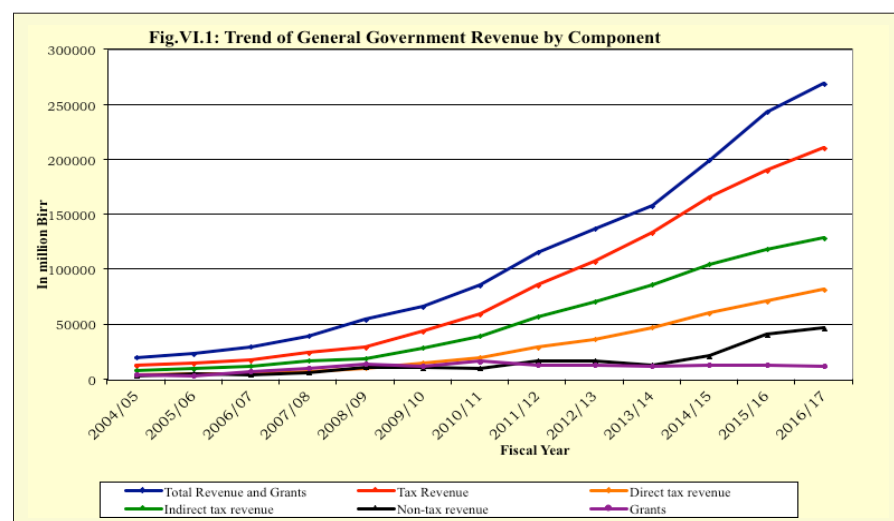
General government revenue and grants registered 10.4 percent growth and was Birr 269.1 billion in the review period (Table 6.2). About 81.9 percent of the total domestic revenue was generated through taxes which grew by 10.8 percent and reached to Birr 210.1 billion. This was attributed to improved collection of taxes from direct taxes (14.5 percent) and indirect taxes (8.5 percent) whose respective contribution to tax revenue was 38.7 percent and 61.3 percent.

Birr 46.4 billion was collected through non-taxes

which saw a 13.6 percent growth over the preceding year due to improvements in all components of non-taxes except government investment income (Table 6.2).

External grants stood at Birr 12.4 billion about 4.1 percent lower than a last year same period.

In short, total general government revenue performance, including grants, was about 89.6 percent of the annual target.

**Table 6.2: Summary of General Government Revenue by Component**

(In Millions of Birr)

Particulars	2015/16	2016/17		Percentage Change	Performance Rate
	[A]	[B]	[C]	[C/A]	[C/B]
	Pre. Act	Revised Budget	Pre. Act		
Total Revenue and Grants	243,671.6	300,493.9	269,105.9	10.4	89.6
Total Revenue 1/	230,657.3	284,385.5	256,629.0	11.3	90.2
Tax Revenue	189,717.2	226,894.4	210,135.9	10.8	92.6
1. Direct Tax Revenue	71,126.8	87,618.8	81,410.4	14.5	92.9
1.1 Income and Profit Taxes	69,520.2	84,652.7	78,321.7	12.7	92.5
Personal	25,171.2	26,618.5	26,577.5	5.6	99.8
Business	36,445.7	48,148.4	42,260.2	16.0	87.8
Others 2/	7,903.3	9,885.8	9,484.0	20.0	95.9
1.2 Rural Land Use Fee	330.0	437.8	410.9	24.5	93.8
1.3 Urban Land Use Fee	1,276.7	2,528.2	2,677.8	109.8	105.9
2. Indirect Taxes	118,590.4	139,275.6	128,725.4	8.5	92.4
2.1 Domestic Taxes	55,867.4	67,594.2	62,523.1	11.9	92.5
2.2 Foreign Trade Taxes	62,722.9	71,681.4	66,202.4	5.5	92.4
Import	62,722.9	71,681.4	66,202.4	5.5	92.4
Export					
3. Non-Tax Revenue	40,940.1	57,491.1	46,493.2	13.6	80.9
3.1 Charges and Fees	2,399.8	2,046.7	3,567.8	48.7	174.3
3.2 Govt. Invnt. Income 3/	15,431.8	16,749.1	14,746.0	(4.4)	88.0
3.3 Reimb. And Property Sales	117.7	253.2	145.9	24.0	57.6
3.4 Sales of Goods & Services	4,097.7	6,515.0	4,956.9	21.0	76.1
3.5 Others 4/	18,893.2	31,927.0	23,076.6	22.1	72.3
4. Grants	13,014.3	16,108.4	12,476.9	(4.1)	77.5

Source: Ministry of Finance and Economic Co-operation

1/ it does not include privatization proceeds

2/ others include rental income tax, withholding income tax on imports, interest income tax, capital gains tax, agricultural income and other income

3/ Government investment income includes: residual surplus, capital charge, interest payments and state dividend.

4/other extraordinary, miscellaneous and pension contribution

6.3 Expenditure

Birr 329.2 billion budget was spent on different general government operations, which showed a 20.6 percent increase over last year (Table 6.3). Current expenditure amounted to Birr 176.7 billion, about 34 percent higher than a year earlier. Its share in total expenditure was 53.7 percent.

Capital expenditure reached Birr 152.5 billion and depicted 8.2 percent annual increase and its share in total expenditure was 46.3 percent.

All in all, general government expenditure performance rate was 89.1 percent of the annual budget.

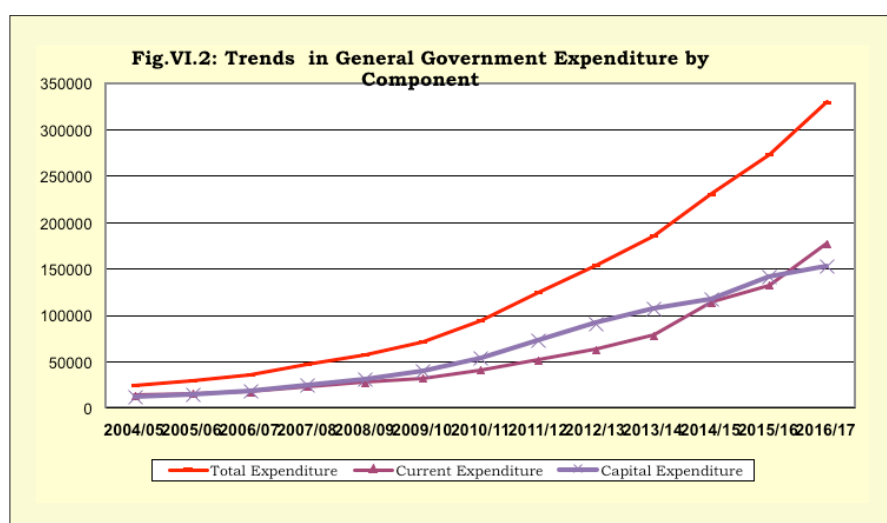
Table 6.3: Summary of General Government Expenditure

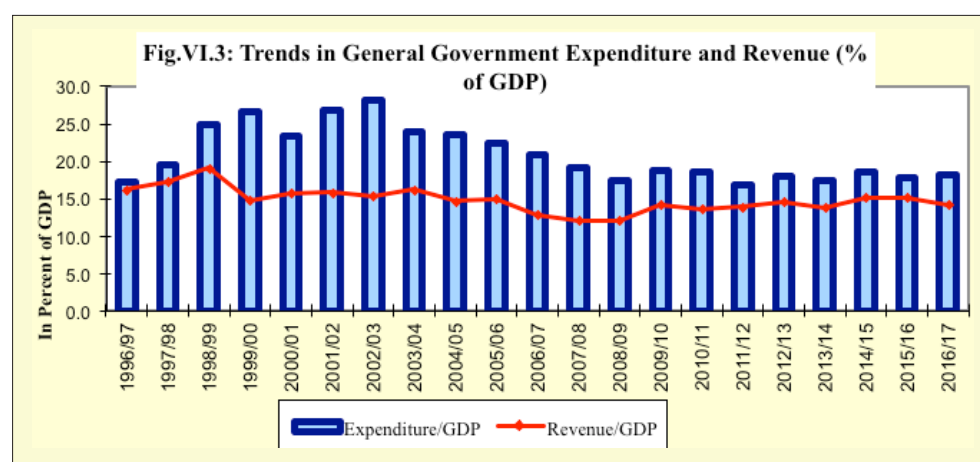
(In Millions of Birr)

Particulars	2015/16	2016/17		Percentage Change	Performance Rate
	[A]	[B]	[C]	[C/A]	[C/B]
	Pre. Act	Revised Budget	Pre. Act		
Total Expenditure	272,930.1	369,704.2	329,286.8	20.6	89.1
1. Current Expenditure	131,902.8	192,634.2	176,703.0	34.0	91.7
General Services	41,444.5	43,459.0	53,697.4	29.6	123.6
Economic Services	22,342.3	22,551.9	23,536.3	5.3	104.4
Social Services	57,682.0	75,690.4	86,659.4	50.2	114.5
Interest and Charges	7,231.8	9,808.5	8,248.1	14.1	84.1
External Assistance 1/					
Social Safety Net					
Others (miscellaneous)	3,202.2	41,124.3	4,561.9	42.5	11.1
2. Capital Expenditure	141,027.3	177,070.1	152,583.8	8.2	86.2
Economic Development	89,934.9	110,538.1	98,781.3	9.8	89.4
Social Development	38,214.0	47,122.6	39,869.0	4.3	84.6
General Development	12,878.3	19,409.4	13,933.6	8.2	71.8
3. Special programs					

Source: Ministry of Finance and Economic co-operation

Note: 1/ Includes mapping, science and technology, public buildings, etc





6.4 Deficit Financing

During the review period, general government budgetary operations, including external grants, resulted in a deficit of Birr 60.1 billion, which was

significantly higher than that of a year earlier. Primary deficit as percentage of GDP was 3.3 percent.

The deficit was financed by net domestic borrowing, external borrowing and privatization receipt.

Table 6.4 Summary of General Government Finance

(In Millions of Birr)

Particulars	2015/16	2016/17		Percentage Change	Performance Rate
	[A]	[B]	[C]	[C/A]	[C/B]
	Pre. Act	Revised Budget	Pre. Act		
Revenue and Grants	243,671.6	300,493.9	269,105.9	10.4	89.6
Revenue	230,657.3	284,385.5	256,629.0	11.3	90.2
Grants	13,014.3	16,108.4	12,476.9	(4.1)	77.5
Total Expenditure	272,930.1	369,704.2	329,286.8	20.6	89.1
Current Expenditure	131,902.8	192,634.2	176,703.0	34.0	91.7
Capital Expenditure	141,027.3	177,070.1	152,583.8	8.2	86.2
Overall Surplus/ Deficit					
(Including Grants)	(29,258.5)	(69,210.4)	(60,180.9)	105.7	87.0
(Excluding Grants)	(42,272.8)	(85,318.8)	(72,657.8)	71.9	85.2
Total Financing	29,258.5	69,210.4	60,180.9	105.7	87.0
Net External Borrowings	26,033.5	22,030.2	28,952.5	11.2	131.4
Gross Borrowing	28,223.1	25,306.2	31,621.5	12.0	125.0
o/w Special Programs					
Amortization Paid	2,189.6	3,276.0	2,668.9	21.9	81.5
HIPC Relief					
Net Domestic Borrowings	24,704.0	34,620.2	34,629.5	40.2	100.0
Banking System	9,208.3		18,651.6	102.6	
Non-Banking Systems	15,495.7		15,977.9	3.1	
Privatization Receipts	500.0	12,560.0	10,883.3	2,076.7	86.7
Others and Residuals	(21,979.0)	0.0	(14,284.4)	(35.0)	

Source: Ministry of Finance and Economic co-operation

VII. INVESTMENT



VII. INVESTMENT

In 2016/17, 468 projects became operational about 45.1 percent lower than a year earlier. Of the projects, 99.8 percent were private owned. These projects had investment capital Birr 8.9 billion showing 32.6 percent annual growth.

Of the total investment projects, 424 (90.6 percent) were domestic with a capital of Birr 3.3 billion (37 percent); and 43 projects were foreign having Birr 602 million capital signifying that foreign investment

projects were more capital intensive than domestic ones in terms of average capital per project.

The only public investment project on real estate, renting, and business activities accounted for 56.2 percent of total investment capital during the review fiscal year.

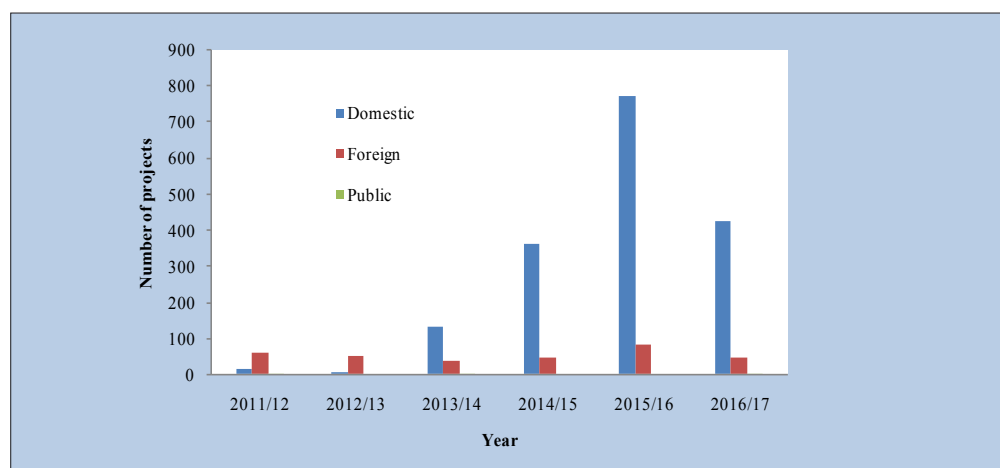
These investment projects are estimated to have created job opportunities for about 20,712 permanent and 9,775 casual workers. (Table 7.1)

Table 7.1: Number of Projects, Capital and Jobs Created by Operational Investment

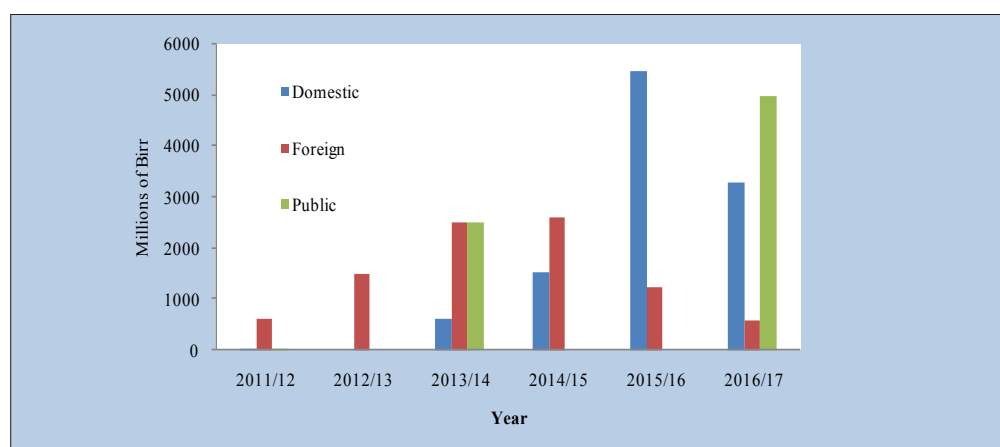
(Capital in millions of Birr)

Types of Projects	Items	2014/15	2015/16	2016/17		Percentage change	
		A	B	C	Share	C/A	C/B
1. Total Investment	Number	407	852	468	100.0	15.0	-45.1
	Capital	4,135.0	6,708.6	8,896.9	100.0	115.2	32.6
	Permanent Workers	11,227	12,724	20,712	100.0	84.5	62.8
	Temporary Workers	10,505	12,710	9,775	100.0	-6.9	-23.1
1.1. Total Private	Number	407	852	467	99.8	14.7	-45.2
	Capital	4,135.0	6,708.6	3,896.9	43.8	-5.8	-41.9
	Permanent Workers	11,227	12,724	20,692	99.9	84.3	62.6
	Temporary Workers	10,505	12,710	9,775	100.0	-6.9	-23.1
1.1.1. Domestic	Number	362	772	424	90.6	17.1	-45.1
	Capital	1,530.3	5,463.7	3,295.0	37.0	115.3	-39.7
	Permanent Workers	3,467	5,869	17,810	86.0	413.7	203.5
	Temporary Workers	9,278	8,993	9,051	92.6	-2.4	0.6
1.1.2. Foreign	Number	45	80	43	9.2	-4.4	-46.3
	Capital	2,604.7	1,244.9	602.0	6.8	-76.9	-51.6
	Permanent Workers	7,760	6,855	2,882	13.9	-62.9	-58.0
	Temporary Workers	1,227	3,717	724	7.4	-41.0	-80.5
1.2. Public	Number			1	0.2		
	Capital			5,000.0	56.2		
	Permanent Workers			20	0.1		
	Temporary Workers						

Source: Ethiopian Investment Commission

Fig.VII.1: Number of Operational Investment Projects by Type

Source: Ethiopian Investment Commission.

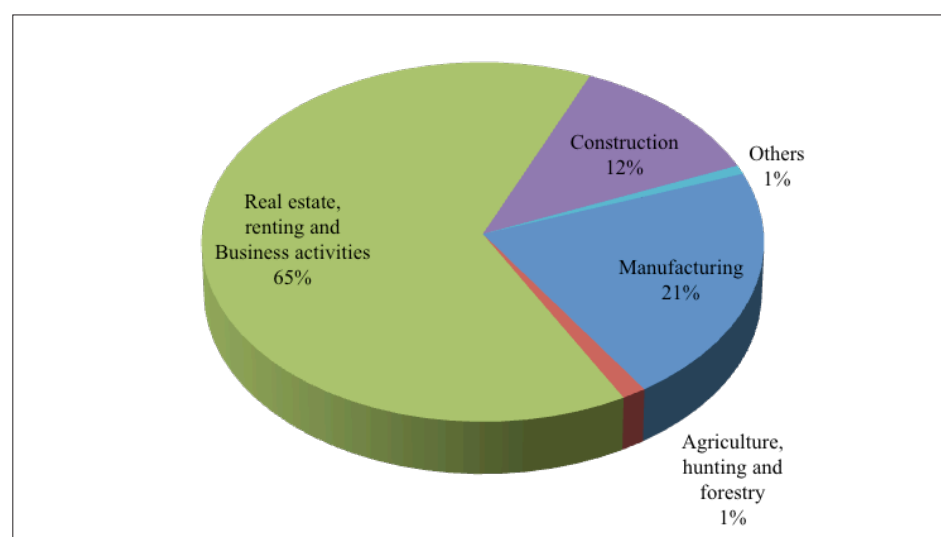
Fig.VII.2: Capital of Operational Investment Projects by Type

Source: Ethiopian Investment Commission

7.1 Investment by Sector

Of the total investment projects, about 42.5 percent were in construction, followed by manufacturing (31.8 percent), real estate, renting & business activities (17.3 percent), agriculture, hunting & forestry (3 percent), and mining & quarrying (1.7 percent). The rest of the sectors attracted only 3.7 percent of total investment projects.

Real estate renting & business activities constituted 64.5 percent of the investment capital followed by manufacturing (21.2 percent), construction (12.2 percent), agriculture hunting & forestry (1.3 percent), and the remaining sectors 0.8 percent (Table 7.2).

Fig.VII.3: Distribution of Operational Investment capital by Sector in 2016/17

Source: Ethiopian Investment Commission.

Others*: hotel & restaurant, education, health & social work, tour operation, transport & communication, mining & quarrying, others and other community, social and personal service activities.

Table: 7.2: Numbers and Capital of Operational Investment Projects by Sector

(Capital in millions of Birr)

Sectors	2014/15		2015/16		2016/17		Percentage share	
	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital
Manufacturing	39	2,707.2	85	2,539.5	149	1,888.0	31.8	21.2
Agriculture, hunting and forestry	107	521.7	35	66.0	14	119.6	3.0	1.3
Real estate, renting and Business activities	197	563.4	637	3,550.7	81	5,737.4	17.3	64.5
Hotel and restaurants	5	105.8	3	10.8	2	9.5	0.4	0.1
Education	1	79.8	3	7.1	4	6.1	0.9	0.1
Health and social work	1	4.0			3	13.7	0.6	0.2
Construction	50	132.8	75	506.7	199	1,081.9	42.5	12.2
Tour operation, transport and communication	3	5.8	5	10.7	3	14.7	0.6	0.2
Whole sale, retail trade and repair service	0	0.0					0.0	0.0
Mining and quarrying	0	0.0	6	12.1	8	18.7	1.7	0.2
Electricity, gas, steam and water supply	0	0					0.0	0.0
Other community, social and personal service activities	4	14.5	2	0.9	4	5.2	0.9	0.1
Others			1	4.0	1	1.9	0.2	0.0
Grand Total	407	4,135.0	852	6,708.6	468	8,896.9	100.0	100.0

Source: Ethiopian Investment Commission.

7.2 Distribution by Region

Of the total 468 investment projects that went into operation, about 376 projects (80.3 percent) with Birr 8.3 billion capital (93.4 percent) were located in Addis Ababa, followed by 42 projects (9 percent) with Birr 104.5 million capital in Amhara region. Similarly there were 21 projects (4.5 percent) with investment capital of Birr 65.9 million in Tigray; 19 projects (4.1

percent) with Birr 335.6 million capital (3.8 percent) in Oromia, and 10 projects with investment capital of Birr 83.5 million in SNNPR. There was no operational investment project in Afar, Somali, Benishangul Gumuz, Gambella, Harari and Diredawa during 2016/17 (Table 7.3).

Table 7.3: Number and Capital of Operational Projects by Region

(Capital in millions of Birr)

Regions	2014/15		2015/16		2016/17		Percentage share	
	No. of projects	Investment Capital	No. of projects	Investment Capital	No. of projects	Investment Capital	No. of projects	Investment Capital
Tigray	49	207.3	45	111.5	21	65.9	4.5	0.7
Afar	15	97.5	6	16.0			0.0	0.0
Amhara	4	10.0	7	13.6	42	104.5	9.0	1.2
Oromia	304	1,398.4	26	345.9	19	335.6	4.1	3.8
Somali	0	0					0.0	0.0
Benishangul-Gumuz	0	0					0.0	0.0
SNNPR	1	13.8	2	5.2	10	83.5	2.1	0.9
Gambella	0	0					0.0	0.0
Harari	3	27					0.0	0.0
Addis Ababa	31	2,381.5	755	6,147.6	376	8,307.5	80.3	93.4
Dire Dawa	0	0	11	68.8			0.0	0.0
Multiregional Projects	0	0					0.0	0.0
Grand Total	407	4,135.0	852	6,708.6	468	8,896.9	100.0	100.0

Source: Ethiopian Investment Commission.

VIII. INTERNATIONAL DEVELOPMENTS



VIII. INTERNATIONAL DEVELOPMENTS

8.1. International Economic Developments

8.1.1. Overview of the World Economy

Global growth gained momentum and marked improvements in manufacturing and trade in the second half of 2016, due to stronger momentum in demand, investment in particular. Economic activity in both advanced economies and emerging & developing economies is forecast to accelerate in 2017, to 2.0 percent and 4.6 percent, respectively, with global growth projected to be 3.5 percent.

Growth picked up in 2016 in the United States as firms grew more confident about future demand, and inventories started contributing positively to growth. However, the growth forecast has been revised down from 2.3 percent to 2.1 percent in 2017 and from 2.5 percent to 2.1 percent in 2018. The main assumption for the revision is that the fiscal policy will be less expansionary than previously assumed.

Economic activity improved in Japan. The growth forecast for 2017 revised up to 1.3 percent showing a marginal increase from 1.0 percent in growth registered in 2016, supported by private consumption, investment and exports.

Growth in the United Kingdom is projected to be 1.7 percent in 2017, before declining to 1.5 percent in 2018. In the medium term, the likely effects of the Brexit Vote because of the expected increase in barriers to trade, migration and financial services sector might affect the economy.

The growth projections have been revised up for many euro area countries, including France, Germany, Italy, and Spain. The growth forecast in Euro area is projected to be 1.9 percent in 2017 up from 1.8 percent projected in 2016, indicating stronger momentum in domestic demand than previously anticipated.

The outlook for other emerging market and developing economies remains diverse. China's growth remained strong, reflecting continued policy support. Aggregate growth in Sub-Saharan Africa is expected to increase to 2.7 percent in 2017 from 1.3 percent in 2016, largely driven by specific factors in the largest economies (Nigeria and South Africa), which faced challenging macroeconomic conditions in 2016. In Nigeria, economic activity is projected to expand by 0.8 percent in 2017 as a result of a recovery in oil production, continued growth in agriculture, and higher public investment. In South Africa, GDP is projected to grow at a modest rate of 1.0 percent in 2017, due to the improvement in commodity prices, draught conditions and the expansion of electricity. In the Middle East, North Africa, Afghanistan and Pakistan the growth has slowed to 2.6 percent in 2017 from 5.0 percent in 2016 due to lower headline growth in the regions oil exporters driven by the November 2016 OPEC agreement to cut oil production, which masks the expected pickup in non-oil growth as the pace of fiscal adjustment to structurally lower oil revenues slows. Besides, continued strife and conflict in many countries in the region also detract from economic activity.

Table 8.1: Overview of World Economic Outlook and Projection

(Annual Percentage Change)

Particulars	2015	2016	Projection	
			2017	2018
World Output	3.4	3.2	3.5	3.6
Advanced Economies	2.1	1.7	2.0	1.9
United States	2.6	1.6	2.1	2.1
Euro Area	2.0	1.8	1.9	1.7
Japan	1.1	1.0	1.3	0.6
United Kingdom	2.2	1.8	1.7	1.5
Emerging Market & Developing Economies	4.3	4.3	4.6	4.8
Middle East, North Africa, Afghanistan and Pakistan	2.7	5.0	2.6	3.3
Sub-Saharan Africa	3.4	1.3	2.7	3.5
Nigeria	2.7	-1.6	0.8	1.9
South Africa	1.3	0.3	1.0	1.2
World Trade Volume (goods & services)*	2.7	2.2	3.8	3.9
Imports				
Advanced Economies	4.4	2.4	4.0	4.0
Emerging Market and Developing Economies	-0.8	1.9	4.5	4.3
Exports				
Advanced Economies	3.7	2.1	3.5	3.2
Emerging Market and Developing Economies	1.4	2.5	3.6	4.3
Commodity Prices (U.S. dollars)				
Oil	-47.2	-15.7	21.2	0.1
Non- oil	-17.5	-1.8	5.4	-1.4
Consumer Prices*				
Advanced Economies	0.3	0.8	2.0	1.9
United States	0.1	1.3	2.7	2.4
Euro Area	0.0	0.2	1.7	1.5
United Kingdom	0.1	0.6	2.5	2.6
Japan	0.8	-0.1	1.0	0.6
Emerging Market & Developing Economies	4.7	4.4	4.7	4.4
China	1.4	2.0	2.4	2.3
Mexico	2.7	2.8	4.8	3.2
Turkey	7.7	7.8	10.1	9.1
Brazil	9.0	8.7	4.4	4.3
Russia	15.5	7.0	4.5	4.2
Sub-Saharan Africa	7.0	11.4	10.7	9.5
Angola	10.3	32.4	27.0	17.8
Nigeria	9.0	15.7	17.4	17.5
Ghana	17.2	17.5	12.0	9.0

Source: IMF, World Economic Outlook, July, 2017

*IMF, World Economic Outlook, April, 2017

8.1.2 World Trade

Global volume of world trade growth of goods and services in 2016 is estimated to have grown by 2.2 percent in volume terms. It is estimated to expand by 3.8 percent in 2017 and is projected to increase by 3.9 percent in 2018. Imports of goods and services by advanced economies rise by 4.0 percent in 2017. Similarly, imports by emerging market and developing economies forecasted to grow by 4.5 percent and 4.3 percent in 2017 and 2018, respectively. Likewise, export of goods and services from advanced economies and emerging and developing economies is forecasted to expand by 3.5 percent and 3.6 percent in 2017, respectively.

8.1.3 Inflation and Commodity Prices

Higher commodity prices have pushed up global headline inflation. Core inflation remains subdued, especially in advanced economies. A broad based increase in headline inflation rates is projected in both advanced and emerging market and developing economies. In advanced economies, inflation rate is forecasted to be 2.0 percent in 2017, up from 0.8 percent in 2016. Inflation in emerging market and developing economies is projected to rise to 4.7 percent in 2017 from 4.4 percent in 2016, mostly reflecting higher commodity prices.

In the United States, consumer price inflation is picking up relatively strongly, from 1.3 percent in 2016 to a projected 2.7 percent in 2017 due to the recovery in energy prices.

Inflation is also picking up in the euro area, to about 1.7 percent in 2017 from 0.2 in 2016, partly reflecting base effects from energy and food prices.

Inflation in Japan forecasted to be 1.0 percent in 2017 from -0.1 percent in 2016. Higher energy prices, the recent weakening in the yen, and slowly building wage-price pressures are expected to lift the inflation rate in Japan.

In the United Kingdom, the pound's depreciation and the increase in energy prices are projected to push inflation up to 2.5 percent in 2017 from 0.6 percent in 2016.

In emerging market economies, inflation development is diverse. In China inflation is expected to pick up to 2.4 percent in 2017 from 2.0 percent in 2016. Inflation is also forecasted to rise in Mexico and Turkey in 2017, mostly due to the liberalization of gasoline prices in Mexico as well as the significant depreciation of both countries' currencies. On the other hand, inflation rates in Brazil and Russia are expected to continue to decline, reflecting a combination of negative output gaps and the dissipation of the effects of past currency depreciations, supply shocks, and/or administrative price increases.

Inflation in 2017 is expected to remain at double-digit levels in a few large economies in Sub-Saharan Africa (for example, Nigeria, Angola and Ghana) reflecting, among other factors, the pass through of large depreciations.

Oil prices have continued to increase, following the agreement of OPEC members On November 30, 2016 to reduce crude oil output to 32.5 million barrels a day (mbd) effective January 2017. In response to these agreements, spot oil prices increased by 21.2 percent in 2017, after two consecutive years of significant decline.

Metal prices will increase by 23.2 percent in 2017 compared with the 2016 prices. On the demand side, metal consumption in China, which accounts for half of global demand, rebounded in 2016 in response to the authorities' policies in support of credit growth. The IMF agriculture price index, which consists of food, beverages, and agricultural raw materials prices, has increased by 4.3 percent since August 2016.

8.1.4. Exchange Rate

Between August 2016 and March 2017, the U.S. dollar, Korean won, Taiwanese dollar, and Australian dollar have strengthened in real effective terms since August. While the euro, and the Japanese yen, have weakened. The Turkish lira and the Malaysian ringgit have depreciated in real effective terms. Indian rupee and the currencies of commodity exporting emerging market economies—in particular the Russian ruble—have gained. The Mexican peso has also strengthened relative to August.

8.2 Implications of International Economic Developments on the Ethiopia Economy

Global growth gained momentum and marked improvements in manufacturing and trade in the second half of 2016, due to stronger momentum in demand, investment in particular. Economic activity in both advanced economies and emerging and developing economies is forecasted to accelerate in 2017. The improvement in the global economy has positively contributed to the growth performance of Ethiopia's receipts from major export items, mainly coffee.

Global headline inflation has also increased due to higher commodity prices. The projected broad based increase in headline inflation rates both in advanced and emerging market & developing economies will support growth of the export earnings for the country. This is also expected to slow down the appreciation rate of the country's Real Effective Exchange Rate (REER) which may improve the country's competitiveness. On the other hand, the increase in oil price during 2016/17 has increased the country's import bills.

OPERATIONAL RESULT

OF THE

NATIONAL BANK OF ETHIOPIA



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**The Federal Democratic Republic of Ethiopia
Audit Services Corporation**

**INDEPENDENT AUDITOR'S REPORT TO
THE SUPERVISING AUTHORITY OF
NATIONAL BANK OF ETHIOPIA**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of National Bank of Ethiopia (the Bank), which comprise the balance sheet as at 30 June 2017, and the profit and loss account, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of the Bank as at 30 June 2017 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountant's Code of Ethics for Professional Accountants (IESBA Code) together with the Ethical requirements that are relevant to our audit of the financial statements in Ethiopia, and we have fulfilled our other ethical responsibilities in accordance with those requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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**INDEPENDENT AUDITOR'S REPORT
ON THE FINANCIAL STATEMENTS OF
NATIONAL BANK OF ETHIOPIA (continued)**

Revenue and expenses

There are risks that interest income and expenses may not be properly calculated and recorded. We compared the current year's income and expenditure with the prior year to analyse the variations. We inquired and documented the reasons for variations. We selected samples of recorded interest income and expense and checked their computation and examined supporting documentation to verify the correctness of the amounts recorded. We also checked the system for recording exchange commission income and gain on foreign exchange and checked sample recorded balances. Based on our assessment we found no concerns regarding revenue and expense recognition.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

**INDEPENDENT AUDITOR'S REPORT
ON THE FINANCIAL STATEMENTS OF
NATIONAL BANK OF ETHIOPIA (continued)**

As part of an audit in accordance with ISAs. We exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or condition that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosure, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**INDEPENDENT AUDITOR'S REPORT
ON THE FINANCIAL STATEMENTS OF
NATIONAL BANK OF ETHIOPIA (continued)**

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Woizero Azeb Tekleselassie.

Report on Other Requirements

Report on Other Requirements

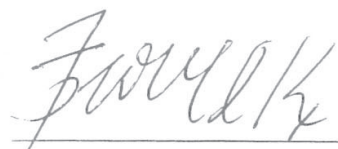
Insofar as appears from our examination and to the best of our knowledge and belief, in our opinion,

- Goods and services have been procured in accordance with the procurement policies and procedures of the Bank;
- Recruitment of new employees has been made in accordance with the policies and procedures of the Bank.

19 December 2017

**NATIONAL BANK OF ETHIOPIA
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2017**

	Notes	2017 Ethiopia Birr	2016 Ethiopia Birr
REVENUE			
Exchange commission	3	2,297,667,780	2,164,981,447
Interest	2(c),4	5,689,877,560	3,890,099,818
Service charges and commission	5	521,744,481	374,583,176
Gain on foreign exchange		1,536,531,550	1,763,492,226
Gain on sale of gold commodity		79,372,955	77,520,532
Miscellaneous	2(e),6	<u>14,117,000</u>	<u>67,144,952</u>
		<u>10,139,311,326</u>	<u>8,337,822,151</u>
EXPENSES			
Interest	2(d),7	2,803,316,797	2,295,451,344
Salaries and related benefits		106,512,622	86,519,691
General and administrative	8	107,832,494	104,318,431
Printing notes and minting coins		<u>714,166,298</u>	<u>533,475,648</u>
		<u>3,731,828,211</u>	<u>3,019,765,114</u>
PROFIT FOR THE YEAR		<u>6,407,483,115</u>	<u>5,318,057,037</u>


Director Corporate Finance

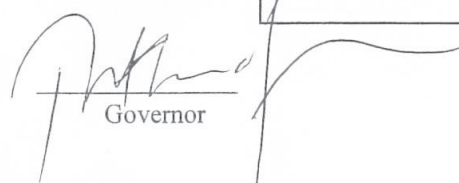

Governor
TEKLEWOLD ATNAFU
GOVERNOR

The notes on pages 9 to 20 form an integral part of these financial statements.

**NATIONAL BANK OF ETHIOPIA
BALANCE SHEET
AS AT 30 JUNE 2017**

	Notes	2017 Ethiopia Birr	2016 Ethiopia Birr
ASSETS			
Ethiopian Government obligations	9	135,632,845,000	109,080,395,000
Foreign exchange holdings	10	72,618,510,793	72,553,935,837
Gold commodity	2(h)	741,333,068	1,113,920,333
Loans	11	54,724,116,612	25,607,000,000
Foreign currency investments	12	9,449,214,085	9,180,390,181
Property and equipment	2(j)(i)(ii),13	471,342,715	483,229,931
Other assets	14	<u>16,298,799,467</u>	<u>44,277,436,830</u>
		<u>289,936,161,740</u>	<u>262,296,308,112</u>
LIABILITIES			
Currency in circulation	15	94,245,514,534	82,592,706,383
Domestic currency deposits	16	67,093,253,826	51,696,978,457
Foreign currency deposits	17	59,339,097,534	72,733,928,838
Ministry of Finance and Economic Cooperation	2(i),18	6,407,483,115	5,318,057,037
Other liabilities	19	57,939,452,608	45,043,277,274
Provisions		<u>62,161,469</u>	<u>62,161,469</u>
		<u>285,086,963,086</u>	<u>257,447,109,458</u>
NET ASSETS		<u>4,849,198,654</u>	<u>4,849,198,654</u>
CAPITAL AND RESERVES			
Capital	20	500,000,000	500,000,000
General reserve	21	500,000,000	500,000,000
International reserve valuation	22	<u>3,849,198,654</u>	<u>3,849,198,654</u>
		<u>4,849,198,654</u>	<u>4,849,198,654</u>


Director Corporate Finance


Governor

The notes on pages 9 to 20 form an integral part of these financial statements.

**NATIONAL BANK OF ETHIOPIA
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2017**

	Capital ETB	General reserve ETB	International reserve valuation ETB	Accumulated profit ETB	Total equity ETB
Balance at 30 June 2015	500,000,000	500,000,000	3,849,198,654	-	4,849,198,654
Profit for the year				5,318,057,037	5,318,057,037
Transfer to Ministry of Finance and Economic Cooperation				(5,318,057,037)	(5,318,057,037)
Balance at 30 June 2016	500,000,000	500,000,000	3,849,198,654	-	4,849,198,654
Profit for the year				6,407,483,115	6,407,483,115
Transfer to Ministry of Finance and Economic Cooperation				(6,407,483,115)	(6,407,483,115)
Balance at 30 June 2017	<u>500,000,000</u>	<u>500,000,000</u>	<u>3,849,198,654</u>	<u>-</u>	<u>4,849,198,654</u>

The notes on pages 9 to 20 form an integral part of these financial statements.

**NATIONAL BANK OF ETHIOPIA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2017**

	2017 Ethiopian Birr	2016 Ethiopian Birr
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	6,407,483,115	5,318,057,037
Adjustments for		
Interest income	(5,689,877,560)	(3,890,099,818)
Interest expense	2,803,316,797	2,295,451,344
Dividend income	(1,559,767)	(1,048,523)
Depreciation of non-current assets	41,326,895	35,084,816
Write back of provision	-	(52,138,235)
Property and equipment	(1,749,458)	1,156,536
	3,558,940,022	3,706,463,157
Movements in working capital		
Increase in foreign exchange holdings	(64,574,956)	(6,285,862,693)
Increase/ (decrease) in gold commodity	372,587,265	(1,034,618,223)
Increase in loans	(29,117,116,612)	(2,250,000,000)
Increase/(decrease) in other assets	28,270,813,665	(20,746,889,860)
Increase in domestic currency deposits	15,396,275,369	8,618,215,319
Increase/(decrease) in foreign currency deposits	(13,663,655,208)	26,785,360,278
Increase in other liabilities	12,821,237,853	5,810,267,556
Increase in currency in circulation	11,652,808,151	7,352,010,352
Increase in Provision	-	61,161,368
Cash generation from operations	29,227,315,549	22,016,107,254
Interest paid	(2,640,675,183)	(2,151,512,456)
Net cash generated by operating activities	26,586,640,366	19,864,594,798
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for acquisition of property and equipment	(27,690,221)	(64,469,704)
Dividend received	1,559,767	1,048,523
Net cash used in investing activities	(26,130,454)	(63,421,181)
CASH FLOW FROM FINANCING ACTIVITIES		
Interest received	5,309,997,125	3,855,461,341
Purchase of government obligations	(26,552,450,000)	(16,905,055,517)
Payments to Ministry of Finance and Economic Cooperation	(5,318,057,037)	(6,751,579,441)
Net cash used in financing activities	(26,560,509,912)	(19,801,173,617)
Cash and cash equivalents	<u>NIL</u>	<u>NIL</u>

The notes on pages 9 to 20 form an integral part of these financial statements.

NATIONAL BANK OF ETHIOPIA NOTES TO THE FINANCIAL STATEMENTS

1 BANK INFORMATION

The Bank was established in Ethiopia by Order No. 30/1963 as an autonomous institution. It is governed by the National Bank of Ethiopia Establishment (as Amended) Proclamation No. 591/2008 and is wholly owned by the Government of the Federal Democratic Republic of Ethiopia.

Its principal place of business is Addis Ababa.

It operates as the central bank of Ethiopia, predominantly in one geographical area.

2 SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards.

b) Basis of preparation

The financial statements have been prepared on a historical cost basis, except for the measurement of impaired assets at their recoverable amounts. The principal accounting policies are set out below.

c) Interest income

Interest income is recognized in the period in which it is earned.

d) Interest expense

Interest expense is recognized on an accrual basis in the period when it is due.

e) Other income

Other income is recognized when significant risks and rewards of ownership are transferred to the recipient and the amounts of revenue can be measured reliably.

f) Taxation

The Bank is exempt from income tax by virtue of article 23 of Proclamation No 591/2008.

NATIONAL BANK OF ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS (continued)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial instruments

Financial assets and financial liabilities are recognized when the Bank becomes a party to the contractual provisions of the instrument. They are initially measured at cost.

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

h) Gold, silver and platinum

Gold, silver and platinum are valued at market prices.

i) Distribution of profit

The net profit of the Bank is distributed in accordance with Proclamation No. 591/2008 whereby the net profit shall be credited each financial year to the account of the Ministry of Finance and Economic Cooperation.

j) Tangible assets

(i) Property and equipment

Property and equipment are stated at cost less accumulated depreciation. Depreciation is charged on the straight-line basis at the following rates per annum.

	%
Buildings	5
Office furniture and equipment	20 and 25
Motor vehicles	20

(ii) Capital work in progress

Capital work in progress is included under property and equipment and comprises costs incurred on ongoing capital works. These costs include material, transport and labour.

NATIONAL BANK OF ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS (continued)

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

k) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Ethiopian Birr at the exchange rates prevailing at the dates of the transactions. Foreign currency monetary assets and liabilities are translated at the exchange rates ruling at the balance sheet date. Resultant exchange differences are recognized in profit or loss for the year. Non-monetary assets and liabilities denominated in foreign currency are recorded at the exchange rate ruling at the date of the transaction.

NATIONAL BANK OF ETHIOPIA

NOTES TO THE FINANCIAL STATEMENTS (continued)

	2017 Ethiopian Birr	2016 Ethiopian Birr
3 EXCHANGE COMMISSION REVENUE		
Local banks	2,141,767,981	2,014,636,029
Foreign banks	<u>155,899,799</u>	<u>150,345,418</u>
	<u>2,297,667,780</u>	<u>2,164,981,447</u>
4 INTEREST REVENUE		
Advance to Central Treasury	3,410,975,747	2,817,655,058
Priority sector loans	784,660,423	737,128,615
Foreign time deposits	119,785,425	60,149,200
Call and ordinary accounts	230,698,573	89,615,696
Foreign securities	21,211,066	8,943,865
Advance to domestic banks	1,121,817,997	175,607,330
Government bonds	<u>728,329</u>	<u>1,000,054</u>
	<u>5,689,877,560</u>	<u>3,890,099,818</u>
5 SERVICE CHARGES AND COMMISSION REVENUE		
Foreign exchange transfers	380,799,945	273,603,608
Treasury bills	140,818,275	100,922,025
Miscellaneous	<u>126,261</u>	<u>57,543</u>
	<u>521,744,481</u>	<u>374,583,176</u>
6 MISCELLANEOUS REVENUE		
Dividend income	1,559,767	1,048,523
Postage, telephone and telex refunds	95,882	99,858
License fee	4,644,240	6,116,579
Write back of provision	-	52,138,235
Miscellaneous	<u>7,817,111</u>	<u>7,741,757</u>
	<u>14,117,000</u>	<u>67,144,952</u>

NATIONAL BANK OF ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS (continued)

	2017	2016
	Ethiopian Birr	Ethiopian Birr
7 INTEREST EXPENSE		
NBE bills to domestic banks	1,453,861,523	1,265,285,757
Government deposits	572,701,329	699,250,555
International Monetary Fund	7,421,063	2,590,160
Correspondents	3,118,363	1,629,372
Interest on Time Deposit	766,214,519	326,695,500
	<u>2,803,316,797</u>	<u>2,295,451,344</u>
8 GENERAL AND ADMINISTRATIVE EXPENSES		
Gold processing and refining	11,199,217	14,747,715
Depreciation	39,260,171	35,084,816
Fuel and lubricants	1,814,021	1,770,246
Membership fees	1,147,280	555,466
Travelling and per diem	5,616,564	6,688,462
Stationery and printing	3,267,984	3,625,295
Maintenance and repairs	3,916,949	12,697,599
Transport of currency within Ethiopia	12,880,651	3,683,460
Advertisements	571,540	732,275
Communications	5,694,589	4,733,333
Utilities	1,863,936	1,673,210
Reuters' service	1,441,642	1,747,345
Insurance	3,640,663	2,483,482
Tuition fees	2,046,747	846,251
Subscriptions	718,601	755,139
Audit fee	673,381	899,720
Bankers' Sports Club and Bankers' Club	505,550	422,444
Uniforms	1,258,178	832,556
Entertainment	2,534,114	2,064,264
Uncollectible accounts written-off	182,230	2,858,399
Board fees	824,000	139,600
Miscellaneous	6,774,486	5,277,354
	<u>107,832,494</u>	<u>104,318,431</u>

NATIONAL BANK OF ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS (continued)

	2017 Ethiopian Birr	2016 Ethiopian Birr
9 ETHIOPIAN GOVERNMENT OBLIGATIONS		
Special advance, bearing interest at the rate of 3% per annum, with no maturity date	127,764,945,000	100,764,945,000
Promissory note, bearing no interest and maturing in July 2034	7,839,900,000	8,275,450,000
Bonds, bearing interest at the rate of 2% per annum and maturing in June 2018, June 2019 and September 2020	<u>28,000,000</u>	<u>40,000,000</u>
	<u>135,632,845,000</u>	<u>109,080,395,000</u>
10 FOREIGN EXCHANGE HOLDINGS		
Time deposits	20,276,663,940	21,424,214,997
Short term deposits	47,480,323,210	44,956,549,794
Foreign currencies	1,094,741,250	1,471,219,998
Foreign securities	<u>3,766,782,393</u>	<u>4,701,951,048</u>
	<u>72,618,510,793</u>	<u>72,553,935,837</u>
11 LOANS		
Loan for priority sector investment projects, bearing interest at the rate of 3% per annum and repayable between 2017 and 2022.	27,226,000,000	25,607,000,000
CBE bonds, bearing interest at the rate of 5% per annum, maturing within 5 years and to be repaid in six equal semi-annual installments	27,000,000,000	-
Loan given to Cooperative Bank of oromia, bearing interest at the rate of 16.5% per annum and to be paid with in 3 months time	<u>498,116,612</u>	-
	<u>54,724,116,612</u>	<u>25,607,000,000</u>

NATIONAL BANK OF ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS (continued)

	2017 Ethiopian Birr	2016 Ethiopian Birr
12 FOREIGN CURRENCY INVESTMENTS		
International Monetary Fund quota	9,282,841,517	9,023,433,145
African Development Bank	71,126,582	67,101,312
African Export-Import Bank	27,868,440	26,291,280
Africa Re-Insurance	27,715,721	26,147,204
International Bank for Reconstruction and Development	26,475,018	24,976,716
International Development Association	12,420,425	11,717,514
International Finance Corporation	766,382	723,010
	<u>9,449,214,085</u>	<u>9,180,390,181</u>

13 PROPERTY AND EQUIPMENT

	Balance at 30 June 2016 ETB	Additions ETB	Adjustment Transfer/ Disposal ETB	Balance at 30 June 2017 ETB
COST				
Buildings	127,960,074	-	-	127,960,074
Office furniture and equipment	237,790,683	5,782,549	(571,657)	243,001,575
Motor vehicles	42,233,506	-	-	42,233,506
Construction works in progress	<u>302,697,190</u>	<u>21,907,672</u>	<u>(16,996)</u>	<u>324,587,866</u>
	<u>710,681,453</u>	<u>27,690,221</u>	<u>(588,653)</u>	<u>737,783,021</u>
DEPRECIATION				
Buildings	71,794,731	6,142,474	3,650,211	81,587,416
Office furniture and equipment	112,391,010	32,873,198	(500,795)	144,763,413
Motor vehicles	<u>43,265,781</u>	<u>2,311,223</u>	<u>(5,487,527)</u>	<u>40,089,477</u>
	<u>227,451,522</u>	<u>41,326,895</u>	<u>(2,338,111)</u>	<u>266,440,306</u>
NET BOOK VALUE	<u>483,229,931</u>			<u>471,342,715</u>

The cost incurred on the EIBI building is carried in the books, although it is not yet clear as to whom the building will ultimately belong. A decision is awaited from the Office of the Prime Minister.

NATIONAL BANK OF ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS (continued)

	2017	2016
	Ethiopian Birr	Ethiopian Birr
14 OTHER ASSETS		
Commercial Bank of Ethiopia	14,180,156,244	42,578,973,977
Accrued interest receivable	707,745,579	327,865,144
Fake gold suppliers	95,537,414	95,537,414
Commemorative souvenirs in gold and silver	11,489,345	11,611,642
Staff loans	16,626,875	10,422,532
Stocks of stationery and other items	13,633,712	7,563,331
uncleared effects	11,036,560	10,709,521
Miscellaneous	<u>1,262,573,738</u>	<u>1,234,753,269</u>
	<u>16,298,799,467</u>	<u>44,277,436,830</u>
15 CURRENCY IN CIRCULATION		
Notes	93,373,868,039	81,912,124,772
Coins	<u>871,646,495</u>	<u>680,581,611</u>
	<u>94,245,514,534</u>	<u>82,592,706,383</u>
16 DOMESTIC CURRENCY DEPOSITS		
Reserve accounts - banks	52,315,458,014	37,608,498,849
Reserve accounts - insurance companies	35,989,541	46,156,616
Government and governmental agencies	<u>14,741,806,271</u>	<u>14,042,322,992</u>
	<u>67,093,253,826</u>	<u>51,696,978,457</u>
17 FOREIGN CURRENCY DEPOSITS		
Ethiopian Government institutions	19,248,833,998	33,552,105,248
International institutions	-	-
International Monetary Fund	10,858,731,533	11,356,012,508
Current accounts	111,574,944	102,448,042
Promissory notes	5,813,963,040	5,813,963,040
Time Deposit	<u>23,305,994,019</u>	<u>21,909,400,000</u>
	<u>59,339,097,534</u>	<u>72,733,928,838</u>

NATIONAL BANK OF ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS (continued)

	2017 Ethiopian Birr	2016 Ethiopian Birr
18 MINISTRY OF FINANCE AND ECONOMIC COOPERATION		
Balance at 30 June 2016	5,318,057,037	6,751,579,441
Less: Paid	<u>(5,318,057,037)</u>	<u>(6,751,579,441)</u>
	-	-
Add: Net profit for the year	<u>6,407,483,115</u>	<u>5,318,057,037</u>
Balance at 30 June 2017	<u>6,407,483,115</u>	<u>5,318,057,037</u>
19 OTHER LIABILITIES		
NBE bills payable to domestic banks	55,717,290,455	43,040,663,132
Accrued interest on bills	802,950,171	640,308,557
Letters of credit	804,488,361	732,210,028
Government securities held as statutory deposits	451,067,450	301,747,975
Miscellaneous	<u>163,656,171</u>	<u>328,347,582</u>
	<u>57,939,452,608</u>	<u>45,043,277,274</u>

20 CAPITAL

The Bank is wholly owned by the Government of the Federal Democratic Republic of Ethiopia.

21 GENERAL RESERVE

The general reserve is a statutory reserve. No further transfers need to be made to it since the fund has reached its obligatory level of equalling the capital.

22 INTERNATIONAL RESERVE VALUATION

The balance on this account is available for distribution to the sole owner of the Bank.

NATIONAL BANK OF ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS (continued)

23 FINANCIAL RISKS

a) Credit risk

Credit risk in relation to a financial instrument is the risk that a customer, bank, or other counter party will not meet its obligations (or be permitted to meet them) in accordance with agreed terms.

The Bank's maximum exposure to credit risk in relation to each class of recognized financial assets, is the carrying amount of those assets as indicated in the balance sheet. The Bank's counter-parties are highly rated and its credit risk is very low.

b) Liquidity risk

The table below analyzes assets and liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date.

	Below 1 month ETB '000,000	1 to 12 months ETB '000,000	1 to 5 years ETB '000,000	Over 5 years ETB '000,000	Total ETB '000,000
ASSETS					
Government obligations	127,765	-	28	7,840	135,633
Foreign exchange	68,852	-	-	3,767	72,619
Gold commodity	-	741	-	-	741
Loans to Development Bank	-	-	54,724	-	54,724
Foreign currency investments	-	-	-	9,449	9,449
Property, plant and equip.	-	-	-	471	471
Other assets	-	15,618	681	-	16,299
	<u>196,617</u>	<u>16,359</u>	<u>55,433</u>	<u>21,527</u>	<u>289,936</u>
LIABILITIES					
Currency in circulation	94,246	-	-	-	94,246
Domestic currency deposits	67,093	-	-	-	67,093
Foreign currency deposits	19,361	3,516	23,224	13,239	59,340
Ministry of FEC	6,407	-	-	-	6,407
Other liabilities	-	1,419	56,520	-	57,939
Provisions	-	-	62	-	62
	<u>187,107</u>	<u>4,935</u>	<u>79,806</u>	<u>13,239</u>	<u>285,087</u>
Net liquidity gap	<u>9,510</u>	<u>11,424</u>	<u>(24,373)</u>	<u>8,288</u>	<u>4,849</u>

NATIONAL BANK OF ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS (continued)

23 FINANCIAL RISKS (continued)

c) Interest rate risk

The Bank's management believes the interest rate risk is negligible.

24 RETIREMENT BENEFIT OBLIGATIONS

The Bank makes contributions to a statutory defined pension scheme. The employer and the employee make contributions of 11% and 7% of the employee's basic salary respectively, as determined by statute. For the year ended 30 June 2017, the Bank contributed Birr 6,331,836 (2016- Birr 5,409,706) which has been charged to the profit and loss account.

25 COMMITMENTS

The Bank has commitments, not provided for in these financial statements, of
Birr 25,706,575 in respect of uncalled liabilities in connection with investments in international institutions.
Birr 16,512,266 in respect of the unpaid portion of the cost of construction of guard posts, design fee for new branch building, cargo rental charges and information technology strategic road map and implementation plan preparation.

26 CONTINGENT LIABILITIES

The Bank has contingent liabilities, not provided for in these financial statements, of Birr 27,821,266 in respect of legal actions brought by various organizations, which are being contested by the Bank. It is not possible to estimate the outcome of these cases.

27 INCORPORATION

The Bank is incorporated in Ethiopia with the National Bank of Ethiopia Establishment Proclamation (as amended) No 591/2008 and is domiciled in Ethiopia.

28 FUNCTIONAL AND PRESENTATION CURRENCY

These financial statements are presented in Ethiopian Birr.

29 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period which should be reported in these financial statements.

NATIONAL BANK OF ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS (continued)

30 STAFF COSTS

Staff costs for the year amounted to Birr 110,414,246 (2016-Birr 88,712,115) and are included in the various major expense categories.

31 EMPLOYEES

The Bank employed 921 staff at 30 June 2017 (2016-840).

32 DATE OF AUTHORIZATION

The Bank's Governor authorized the issue of these financial statements on 19 December 2017.

STATISTICAL TABLES

Annex 1: Estimates of Agricultural Production and Cultivated Areas of Major Grain Crops

(For Private Peasant Holdings)

Particulars	2008/09		2009/10		2010/11		2011/12		2012/13		2013/14		2014/15		2015/16		2016/17	
	Cultivated area ^z	Total production ^y	Cultivated area ^z	Total production ^y	Cultivated area ^z	Total production ^y	Cultivated area ^z	Total production ^y	Cultivated area ^z	Total production ^y	Cultivated area ^z	Total production ^y	Cultivated area ^z	Total production ^y	Cultivated area ^z	Total production ^y	Cultivated area ^z	Total production ^y
Cereals	8,776.0	144,964.0	9,233.0	155,342.0	9,690.0	177,613.0	9,588.9	188,099.6	9,601.0	196,511.5	9,848.7	215,835.2	10,152.0	236,076.6	9,974.3	231,288.0	10,219.4	233,847.2
Teff	2,481.0	30,280.0	2,589.0	31,794.0	2,761.0	34,835.0	2,731.0	34,976.9	2,730.3	34,976.9	3,016.5	44,186.4	3,016.1	47,506.6	2,866.1	44,186.4	3,017.9	50,204.4
Barley	978.0	15,194.0	1,129.0	17,504.0	1,047.0	17,034.0	948.0	15,852.9	1,018.8	17,816.5	1,019.5	19,082.6	993.9	19,533.8	944.4	18,567.0	959.3	20,249.2
Wheat	1,454.0	25,376.0	1,683.0	30,756.0	1,553.0	28,557.0	1,437.0	29,163.3	1,627.6	34,347.1	1,605.7	39,251.7	1,663.8	42,315.9	1,664.6	42,192.6	1,696.1	45,578.5
Maize	1,768.0	39,325.0	1,772.0	38,972.0	1,963.0	49,861.0	2,054.0	60,694.1	2,013.0	61,583.2	1,994.8	64,915.4	2,114.9	72,349.6	2,111.5	71,508.4	2,135.6	78,871.7
Sorghum	1,615.0	28,044.0	1,619.0	29,713.0	1,898.0	39,599.0	1,924.0	39,512.9	1,711.5	36,042.6	1,677.5	38,288.7	1,834.7	43,391.3	1,854.7	43,233.0	1,882.0	47,521.0
Millet	408.0	5,603.0	369.0	5,242.0	408.0	6,348.0	432.0	6,518.5	431.5	7,423.0	454.7	8,489.6	453.9	9,153.1	465.5	9,402.5	456.2	10,170.6
Oats	31.0	428.0	24.0	330.0	31.0	476.0	30.5	494.7	26.5	436.3	35.6	616.5	27.9	508.1	22.1	402.7	24.0	491.8
Rice	35.0	714.0	48.0	1,031.0	30.0	904.0	30.6	886.2	41.8	1,210.4	33.8	923.6	46.8	1,318.2	45.5	1,268.1	48.4	1,360.0
Pulses	1,551.0	19,270.0	1,489.0	18,908.0	1,357.0	19,532.0	1,616.8	23,162.0	1,863.4	27,510.3	1,742.6	28,588.8	1,558.4	26,718.3	1,652.8	27,692.7	1,549.9	28,146.3
Horse Beans	539.0	6,960.0	512.0	6,108.0	459.0	6,978.0	457.5	7,148.0	574.1	9,439.6	538.5	9,917.0	443.1	8,889.4	444.0	8,486.5	427.7	8,780.1
Chick Peas	233.0	3,121.0	213.0	2,846.0	208.0	3,228.0	231.3	4,002.0	239.5	4,097.3	229.7	4,238.0	239.8	4,586.8	258.5	4,726.1	225.6	4,441.5
Haricot Beans	267.0	3,298.0	244.0	3,629.0	237.0	3,402.0	331.7	3,878.0	366.9	4,630.1	326.5	4,574.1	323.3	5,137.2	357.3	5,402.4	290.2	4,839.2
Field Peas	231.0	2,871.0	226.0	2,359.0	204.0	2,570.0	212.8	2,632.0	256.0	3,273.8	275.4	3,798.1	230.7	3,426.4	221.4	3,233.9	212.5	3,481.4
Lentils	95.0	948.0	106.0	1,238.0	77.0	809.0	109.9	1,280.0	123.7	1,515.0	125.8	1,591.2	98.9	1,373.5	100.7	1,339.3	113.7	1,662.7
Soya beans	6.0	79.0	6.0	*	11.0	158.0	19.4	358.8	31.9	636.5	30.5	610.2	35.3	721.8	38.2	812.4	36.6	812.3
Grass peas	160.0	2,021.0	136.0	2,040.0	131.0	2,009.0	179.8	3,055.8	205.4	3,255.8	169.4	3,173.2	136.9	2,514.4	159.1	2,876.7	151.3	2,971.0
Gibbo	20.0	172.0	25.0	417.0	14.0	196.0	34.2	443.7	33.2	368.8	22.4	230.4	15.5	176.9	16.8	187.2	19.9	274.1
Oil Seeds	855.0	6,557.0	781.0	6,435.0	775.0	6,340.0	880.7	7,308.0	818.4	7,266.6	816.1	7,112.6	855.8	7,601.0	859.1	7,848.1	804.8	8,392.0
Neug	313.0	1,908.0	257.0	1,578.0	248.0	1,448.0	309.0	1,863.0	303.6	2,124.2	285.3	2,202.1	252.6	2,244.6	281.0	2,563.3	281.2	3,024.3
Linseed/Flax	181.0	1,560.0	141.0	1,506.0	74.0	654.0	116.5	1,127.0	127.9	1,220.6	95.6	879.5	82.3	831.3	85.4	885.5	80.4	879.1
Rapeseed	33.0	387.0	21.0	226.0	13.0	193.0	45.1	746.7	45.8	731.1	44.0	624.5	30.1	537.0	30.0	550.4	23.7	434.0
Sunflower	8.0	66.0	5.0	56.0	6.0	51.0	8.2	88.7	11.4	132.8	11.5	83.5	5.6	63.3	7.1	67.3	6.7	79.5
Ground nuts	42.0	469.0	41.0	464.0	49.0	716.0	64.4	1,034.8	90.2	1,244.2	79.9	1,120.9	64.6	1,037.1	67.1	1,039.4	74.9	1,296.4
Sesame	278.0	2,167.0	316.0	2,605.0	385.0	3,277.0	337.5	2,447.8	239.5	1,813.8	299.7	2,202.1	420.5	2,887.7	388.2	2,742.2	337.9	2,678.7
Total	11,176.0	170,791.0	11,503.0	180,685.0	11,822.0	203,485.0	12,086.4	218,569.6	12,282.9	231,288.5	12,407.5	251,536.6	12,566.2	270,396.0	12,486.3	266,828.8	12,574.1	290,385.6
Percentage change																		
Cereals	0.7	6.2	5.3	7.2	4.9	14.3	(1.0)	5.9	0.13	4.5	2.6	9.8	3.1	9.4	-1.8	-2.0	2.5	9.8
Pulses	4.9	9.9	(4.0)	(1.9)	(8.9)	3.3	19.1	18.6	15.3	18.8	(6.5)	3.9	(10.6)	(6.5)	6.1	3.6	(6.2)	1.6
Oil Seeds	14.8	(1.6)	(8.7)	(1.9)	(0.8)	(1.5)	13.6	15.3	(7.1)	(0.6)	(0.3)	(2.1)	4.9	6.9	0.4	3.3	-6.3	6.9
Total	2.3	6.3	2.9	5.8	2.8	12.6	2.2	7.4	1.6	5.8	1.0	8.8	1.3	7.5	-0.6	-1.3	0.7	8.8

Source: Central Statistical Authority (CSA).

NOTE:-

z In Thousands of Hectares.

y In Thousands of Quintals.

* Estimates are corrected and adjusted based on the previous survey of CSA and the 1993/94 MOA-CSA crop assessment result.

** Unreliable estimates but included in the total "Others".

' Meher' Season refers to the period starting from the month of September to February.

Annex 2: GDP By Economic Activity at Constant Prices

in millions of birr

Sectors/Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12.	2012/13	2013/14	2014/15	2015/16	2016/17
Agriculture, Hunting and Forestry	114,883.9	130,614.3	145,042.0	158,645.8	170,428.1	181,074.4	194,869.2	212,252.7	222,664.5	238,438.0	251,340.0	267,269.0	535,674.7	571,718.2
Crop	69,752.2	83,361.1	95,838.1	106,406.4	114,904.0	122,343.4	133,039.9	146,760.0	154,081.7	166,698.9	177,663.1	190,421.6	346,292.7	374,386.0
Animal Farming and Hunting	29,142.2	30,872.0	32,385.2	34,936.0	37,494.4	40,136.6	42,619.2	45,806.1	48,287.7	50,777.2	51,834.8	54,250.1	138,553.0	144,763.2
Forestry	15,989.5	16,381.2	16,818.7	17,303.4	18,029.7	18,594.5	19,210.0	19,686.6	20,295.1	20,961.9	21,842.1	22,597.2	49,447.1	51,179.6
Fishing	110.7	120.3	110.4	118.9	159.3	201.5	204.9	217.0	263.2	314.1	416.3	543.8	1,381.9	1,389.4
Mining and Quarrying	2,316.9	2,412.6	2,585.5	2,187.2	2,655.5	2,994.8	4,317.5	6,809.7	7,675.1	8,156.9	7,898.4	5,876.4	6,116.8	4,296.9
Manufacturing	8,979.4	10,140.9	11,176.0	12,091.7	13,302.1	14,487.3	16,127.1	18,968.0	21,207.1	24,798.2	28,923.9	34,194.6	85,971.3	100,939.6
Large and Medium Scale Manufacturing	5,512.2	6,152.4	6,992.2	7,655.2	8,617.9	9,504.4	10,797.1	12,323.8	14,283.8	17,740.9	21,566.2	26,558.6	61,687.4	75,983.6
Small Scale and Cottage Industries	3,467.2	3,988.5	4,183.8	4,436.5	4,684.3	4,982.8	5,329.9	6,644.2	6,923.3	7,057.3	7,357.7	7,636.0	24,283.9	24,956.0
Electricity and Water	3,061.3	3,302.7	3,595.0	4,084.3	4,282.3	4,496.6	4,608.7	4,902.4	5,566.1	6,124.2	6,538.2	6,831.9	11,011.7	12,262.2
Construction	9,319.4	10,022.8	11,074.4	12,282.1	13,675.2	15,271.9	16,935.0	19,100.4	25,108.0	34,831.6	43,146.7	56,772.6	237,545.1	286,789.9
Whole Sale and Retail Trade	30,498.0	34,482.7	40,529.6	47,343.9	54,847.5	61,280.3	66,974.3	70,907.5	79,785.5	87,831.4	103,350.2	116,095.3	199,277.2	214,463.0
Hotels and Restaurants	4,234.6	4,724.2	5,646.8	7,197.7	8,876.1	10,993.6	13,663.7	17,029.3	18,740.8	22,326.5	28,267.0	36,630.6	30,074.8	33,407.5
Transport and Communications	9,470.1	11,292.7	11,935.3	13,048.7	14,545.3	15,842.3	18,130.2	19,890.5	22,391.7	26,087.9	29,395.7	33,312.8	69,350.8	77,743.6
Financial Intermediation	3,523.3	4,375.6	5,631.9	6,481.9	8,304.6	9,672.7	9,645.6	11,927.7	14,744.4	12,944.2	14,793.3	15,896.1	49,624.6	56,581.1
Real Estate, Renting and Business Activities	15,624.5	16,779.4	19,215.0	22,138.9	25,965.8	30,089.8	36,096.7	44,064.4	45,749.9	47,529.0	49,383.9	51,432.5	64,756.3	67,384.9
Public Administration and Defense	8,278.4	9,242.8	9,831.9	10,991.7	12,368.4	14,639.8	15,944.3	25,735.8	26,529.0	28,554.4	31,701.1	33,613.2	63,354.2	77,360.2
Education	4,281.1	4,820.1	5,235.0	6,347.1	7,284.0	8,230.3	9,626.5	10,772.2	11,252.5	12,386.7	12,706.6	13,875.9	39,379.5	43,701.2
Health and Social Work	1,482.3	1,732.1	1,902.4	2,202.2	2,544.2	3,063.7	3,493.6	4,132.3	4,520.0	5,075.4	6,053.5	6,840.7	13,899.3	15,988.3
Other Community, Social & Personal Services	6,795.9	7,342.9	8,016.1	8,696.7	9,713.7	10,330.6	11,164.0	11,035.9	12,404.2	14,686.9	15,248.3	15,811.7	16,472.5	17,090.7
Private Households with Employed Persons	815.2	841.0	896.3	932.0	981.1	1,018.2	1,066.9	1,121.0	1,301.5	1,407.7	1,469.7	1,533.7	16,091.1	16,495.4
Total	222,859.9	251,406.0	281,527.3	313,858.9	348,952.3	382,669.6	421,801.1	478,866.9	519,903.4	571,493.3	630,632.7	696,530.8	1,439,981.7	1,597,612.1
Less : FISIM	992.2	1,155.6	16,216.0	1,841.1	2,393.7	2,693.7	2,898.1	3,219.3	2,876.9	3,061.0	3,655.4	4,309.1	17,380.2	20,505.1
Gross Value Added at Constant Basic Prices	220,477.2	248,354.8	277,013.3	309,686.8	344,331.9	378,907.4	418,947.0	475,647.5	517,026.5	568,432.3	626,977.4	692,221.7	1,422,601.5	1,577,107.0
Taxes on Products	22,744.2	23,444.0	24,071.6	25,803.6	27,238.6	24,975.4	36,321.6	39,431.0	42,595.0	50,409.9	55,381.1	61,008.0	118,675.7	122,086.5
GDP at Constant Market Prices	243,221.4	271,798.7	301,085.0	335,490.3	371,570.5	403,882.7	455,268.5	515,078.5	559,621.6	618,842.2	682,358.5	753,229.7	1,541,277.2	1,699,193.6

Source: MoFED

Annex 3: Growth Rate Of GDP By Economic Activity at Constant Prices

Industry/Year	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12.	2012/13	2013/14	2014/15	2015/16	2016/17
Agriculture, Hunting and Forestry	9.9	-1.9	-10.5	17.1	13.7	11.0	9.4	7.4	6.2	7.6	8.9	4.9	7.1	5.4	6.3	2.3	6.7
Crop	15.0	-3.7	-16.5	25.6	19.5	15.0	11.0	8.0	6.5	8.7	10.3	5.0	8.2	6.6	7.2	3.4	8.1
Animal Farming and Hunting	2.5	0.2	-3.6	8.0	5.9	4.9	7.9	7.3	7.0	6.2	7.5	5.4	5.2	2.1	4.7	-1.5	4.5
Forestry	2.6	2.8	2.9	2.7	2.4	2.7	2.9	4.2	3.1	3.3	2.5	3.1	3.3	4.2	3.5	2.2	3.5
Fishing	-1.9	-0.1	-20.1	-25.1	8.6	-8.2	7.7	34.0	26.5	1.7	5.9	21.3	19.4	32.5	30.6	0.1	0.5
Mining and Quarrying	5.2	10.5	4.1	2.0	4.1	7.2	-15.4	21.4	12.8	44.2	57.7	12.7	6.3	-3.2	-25.6	-3.3	-29.8
Manufacturing	3.8	1.4	0.7	6.4	12.9	10.2	8.2	10.0	8.9	11.3	17.6	11.8	16.9	16.6	18.2	18.4	17.4
Large and Medium Scale Manufacturing	2.1	0.2	1.4	7.7	11.6	13.7	9.5	12.6	10.3	13.6	14.1	15.9	24.2	21.6	23.1	22.9	23.2
Small Scale and Cottage Industries	6.5	3.2	-0.4	4.5	15.0	4.9	6.0	5.6	6.4	7.0	24.7	4.2	1.9	4.3	3.8	2.5	2.8
Electricity and Water	3.3	9.7	4.8	6.6	7.9	8.8	13.6	4.8	5.0	2.5	6.4	13.5	10.0	6.8	4.5	15.0	11.4
Construction	8.0	16.2	13.6	19.5	7.5	10.5	10.9	11.3	11.7	10.9	12.8	31.5	38.7	23.9	31.6	25.0	20.7
Whole Sale and Retail Trade	5.1	3.4	3.1	5.1	13.1	17.5	16.8	15.8	11.7	9.3	5.9	12.5	10.1	17.7	12.3	8.2	7.6
Hotels and Restaurants	8.2	5.0	6.3	6.2	11.6	19.5	27.5	23.3	23.9	24.3	24.6	10.1	19.1	26.6	29.6	15.6	11.1
Transport and Communications	13.7	5.6	10.5	9.5	19.2	5.7	9.3	11.5	8.9	14.4	9.7	12.6	16.5	12.7	13.3	13.7	12.1
Financial Intermediation	11.8	-25.0	10.8	19.7	24.2	28.7	15.1	28.1	16.5	-0.3	23.7	23.6	-12.2	14.3	7.5	9.6	1.4
Real Estate, Renting and Business Activities	9.1	23.2	9.7	4.5	7.4	14.5	15.2	17.3	15.9	20.0	22.1	3.8	3.9	3.9	4.1	3.7	4.1
Public Administration and Defense	-9.4	-15.6	1.4	0.2	11.6	6.4	11.8	12.5	18.4	8.9	61.4	3.1	7.6	11.0	6.0	7.4	22.1
Education	11.3	7.7	11.6	11.5	12.6	8.6	21.2	14.8	13.0	17.0	11.9	4.5	10.1	2.6	9.2	8.8	1.1
Health and Social Work	10.2	-0.1	-4.2	15.9	16.9	9.8	15.8	15.5	20.4	14.0	18.3	9.4	12.3	19.3	13.0	10.8	1.5
Other Community, Social & Personal Services	3.9	5.1	1.5	4.8	8.0	9.2	8.5	11.7	6.4	8.1	-1.1	12.4	18.4	3.8	3.7	3.0	3.8
Private Households with Employed Persons	4.1	11.3	4.5	1.6	3.2	6.6	4.0	5.3	3.8	4.8	5.1	16.1	8.2	4.4	4.4	4.3	2.5
Total	7.6	0.8	-3.1	12.0	12.8	12.0	11.5	11.2	9.7	10.2	13.5	8.6	9.9	10.3	10.4	8.0	10.9
Less: FISIM	3.8	-36.1	14.7	18.5	16.5	1303.2	-88.6	30.0	12.5	7.6	11.1	-10.6	6.4	19.4	17.9	16.9	1.8
Gross Value Added at Constant Basic Prices	7.4	1.6	-2.1	11.7	12.6	11.5	11.8	11.2	10.0	10.6	11.4	8.7	9.9	10.3	10.4	8.0	10.9
Taxes on Products	21.0	0.0	-3.0	37.6	3.1	2.7	7.2	5.6	-8.3	45.4	8.6	8.0	18.3	9.9	10.2	3.1	2.9
GDP at Constant Market Prices	8.4	1.5	-2.2	13.7	11.7	10.8	11.4	10.8	8.7	12.7	13.1	8.6	10.6	10.3	10.4	7.6	10.2

Source: MoFED

Annex 4: Value of Aggregate Output, Consumption, Investment and Savings at Current Prices

Description / Year	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Gross Value Added at Current Basic Prices	61,273	62,030	60,761	67,081.0	77,880.0	96,391.0	119,934.0	157,170.0	227,703.0	311,073.0	348,686.0	475,647.5	690,444.5	796,303.1	974,727.0	1,192,833.0	1,422,602.0	1676848
Taxes on Products, net	4,349	4,958	4,778	5,228.0	7,476.0	8,467.0	9,698.0	12,186.0	16,785.0	19,139.0	28,412.0	39,431.0	56,882.0	70,618.0	86,098.0	105,129.0	118,676.0	129808
GDP at Current Market Prices	65,986	67,351	65,895	72,703.0	85,800.0	105,415.0	130,334.0	170,281.0	245,836.0	332,060.0	379,135.0	515,078.5	747,326.5	866,921.1	1,060,825.0	1,297,962.0	1,541,277.0	1806656
Incomes from ROW, net	(342)	(471)	(352)	(387.6)	(561.7)	180.1	399.4	696.7	723.7	(57.1)	(614.6)	(1,120.2)	(1,659.8)	(1,942.8)	(2,914.6)	(5,275.1)	(5,122.0)	-11162
Gross National Income at Current Basic Prices	61,069	61,749	60,551	66,850.0	77,546.0	96,498.0	119,925.0	157,434.0	228,020.0	310,714.0	347,973.0	474,527.4	688,784.7	794,360.3	971,813.0	1,187,558.0	1,417,479.0	1665686.4
Gross National Income at Current Market Prices	65,782	67,070	65,686	72,472.0	85,466.0	105,522.0	130,324.0	170,544.0	246,152.0	331,731.0	378,422.0	513,958.4	745,666.7	864,978.3	1,057,911.0	1,292,686.0	1,536,154.8	1795494.1
Current Transfers from ROW, net	5,652	6,434	6,636	9,387.6	9,435.8	15,334.7	18,162.9	25,444.4	34,194.0	44,191.0	59,485.0	74,261.2	86,849.9	93,355.1	106,357.3	128,401.0	155,964.0	154567
Gross National Disposable Income	71,435	73,504	72,322	81,860.0	94,901.0	120,857.0	148,487.0	195,989.0	280,346.0	375,922.0	437,907.0	588,219.5	832,516.6	958,333.4	1,164,268.0	1,421,087.0	1,692,119.0	1950061
Government Final Consumption Expenditure	12,615	10,543	10,448	10,422.0	11,973.0	13,971.0	17,016.0	19,123.0	25,782.0	31,544.0	34,801.0	53,147.1	62,044.5	77,636.9	98,121.0	116,995.0	174,120.0	222865
Private Final Consumption Expenditure	45,611.00	47,981.00	49,319.00	56,765.0	60,866.0	81,445.0	102,537.0	130,118.0	197,461.0	268,002.0	309,132.0	373,088.5	541,536.3	636,901.3	744,978.0	896,208.0	1,022,281.0	1147628
Gross Capital Formation (Investment)	14,647.00	15,870.00	17,395.00	17,669.0	24,902.0	27,409.0	35,952.0	41,227.0	60,156.0	82,560.0	102,403.0	165,379.7	277,243.0	295,456.4	402,922.0	511,618.0	585,665.0	704596
Exports of Goods and Services	8,010.00	8,146.00	8,389.00	9,779.0	12,913.6	16,076.9	18,205.4	21,854.2	28,317.0	35,233.0	52,168.0	85,950.4	102,886.6	108,227.1	123,496.0	121,532.2	122,501.0	139805
Imports of Goods and Services	15,952.77	16,108.35	17,706.84	20,131.3	27,366.8	37,776.3	48,092.4	55,088.7	76,564.0	96,285.0	126,319.0	162,487.1	236,383.9	251,300.6	308,691.3	393,189.0	424,750.0	428400
Resource Balance	(7,943.01)	(7,962.24)	(9,317.99)	(10,351.8)	(14,453.2)	(21,699.4)	(29,887.0)	(33,234.4)	(48,247.0)	(61,052.0)	(74,151.0)	(76,536.7)	(133,497.3)	(143,073.5)	(185,195.3)	(271,656.0)	(302,249.0)	-288594
Gross Domestic Savings	7,760.00	8,827.00	6,128.00	5,516.0	12,961.0	9,999.0	10,781.0	21,040.0	22,593.0	32,514.0	35,202.0	88,843.0	143,745.7	152,382.9	217,726.0	284,759.0	344,876.0	436163
Gross National Savings	13,209.00	14,980.00	12,555.00	14,672.0	22,062.0	25,441.0	28,934.0	46,748.0	57,103.0	76,376.0	93,973.0	161,984.0	228,935.8	243,795.2	321,169.0	407,884.0	495,718.0	579568
Mid-year Population (In Million)	60.00	61.60	63.20	64.8	66.5	68.3	70.0	72.4	74.9	76.8	78.8	80.7	82.7	84.8	87.0	89.1	91.2	93.4
Per Capita Nominal GDP (In Birr)	1,052.00	1,043.00	993.00	1,068.0	1,228.0	1,475.0	1,783.0	2,302.0	3,282.0	4,318.0	4,803.0	6,384.1	9,031.8	10,218.7	12,200.3	14,571.0	16,898.0	19353
Per Capita Real GDP (In Birr)	3,077.09	3,219.49	3,189.26	3,045.2	3,315.4	3,636.2	3,957.3	4,277.4	4,597.2	4,933.7	5,316.6	6,384.1	6,763.3	7,294.5	7,847.6	8,455.8	16,898.0	18192.65044
Average Exchange Rate (Birr/USD)	8.14	8.33	8.54	8.6	8.6	8.7	8.7	8.8	9.2	10.4	12.9	16.1	17.2	18.3	19.1	20.1	21.1	22.4
Real GDP (In USD)	8,160.00	8,870.40	8,974.40	8,812.8	9,975.0	11,201.2	12,390.0	13,108.2	15,279.6	16,665.6	18,754.4	29,543.3	30,007.3	31,095.9	32,877.7	34,438.9	73,026.0	76042.5
Nominal GDP (In USD) (Million)	8,106.39	8,085.35	7,716.04	8,473.5	9,942.1	12,184.2	15,013.7	19,362.7	26,605.6	31,867.6	29,413.1	29,543.3	40,072.2	43,561.4	51,113.1	59,344.9	73,026.0	80605
Per Capita Nominal GDP (In USD)	129.00	125.00	116.00	124.0	142.0	171.0	205.0	262.0	355.0	414.0	373.0	396.1	523.5	559.1	639.6	725.0	801.0	863
Per Capita Real GDP (In USD)	136.00	144.00	142.00	136.0	150.0	164.0	177.0	181.1	204.0	217.0	238.0	396.1	392.0	399.1	411.4	420.7	801.0	814.2
GDP Deflator	33.21	31.27	30.15	34.0	35.3	38.8	43.3	50.8	66.2	82.2	83.3	100.0	133.5	140.1	155.5	172.3	100.0	106

Source: MOFED

Annex 5: Growth Rates of Aggregate Output, Consumption, Investment and Savings

in percent

Description / Year	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
	2000/01	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
GDP at Current Basic Prices	1.2	-2.0	10.4	16.1	23.8	24.4	31.0	44.9	36.6	12.1	36.4	45.2	15.3	22.4	22.4	18.2	17.9
Taxes on Products, net	14.0	-3.6	9.4	43.0	13.3	14.5	25.7	37.7	14.0	48.5	38.8	44.3	24.1	21.9	22.1	12.8	9.4
GDP at Current Market Prices	2.1	-2.2	10.3	18.0	22.9	23.6	30.6	44.4	35.1	14.2	35.9	45.1	16.0	22.4	22.4	17.7	17.2
Incomes from ROW, net	37.6	-25.4	10.2	44.9	-132.1	121.7	74.4	3.9	-107.9	976.5	82.3	-48.2	-17.1	-50.0	-81.0	-1.5	-117.9
Gross National Income at Current Basic Price	1.1	-1.9	10.4	16.0	24.4	24.3	31.3	44.8	36.3	12.0	36.4	45.2	15.3	22.3	22.2	18.2	17.5
Gross National Income at Current Market Price	2.0	-2.1	10.3	17.9	23.5	23.5	30.9	44.3	34.8	14.1	35.8	45.1	16.0	22.3	22.2	17.8	16.9
Current Transfers from ROW, net	13.8	3.1	41.5	0.5	62.5	18.4	40.1	34.4	29.2	34.6	24.8	17.0	7.5	13.9	20.7	23.4	-0.9
Gross National Disposable Income	2.9	-1.6	13.2	15.9	27.4	22.9	32.0	43.0	34.1	16.5	34.3	41.5	15.1	21.5	22.1	18.3	15.2
Government Final Consumption Expenditure	-16.4	-0.9	-0.2	14.9	16.7	21.8	12.4	34.8	22.3	10.3	52.7	16.7	25.1	26.4	19.2	27.2	28.0
Private Final Consumption Expenditure	5.2	2.8	15.1	7.2	33.8		26.9	51.8	35.7	15.3	20.7	45.1	17.6	17.0	20.3	15.7	12.3
Gross Capital Formation (Investment)	8.3	9.6	1.6	40.9	10.1	31.2	14.7	45.9	37.2	24.0	61.5	67.6	6.6	36.4	27.0	15.1	20.3
Exports of Goods and Services	1.7	3.0	16.6	32.1	24.5	13.2	20.0	29.6	24.4	48.1	64.8	19.7	5.2	14.1	-1.6	0.7	14.1
Imports of Goods and Services	1.0	9.9	13.7	35.9	38.0	27.3	14.5	39.0	25.8	31.2	28.6	45.5	6.3	22.8	27.4	8.0	0.9
Resource Balance	0.2	17.0	11.1	39.6	50.1	37.7	11.2	45.2	26.5	21.5	3.2	-74.4	-7.2	-29.4	-46.7	-11.2	4.5
Gross Domestic Savings	13.8	-30.6	-10.0	135.0	-22.9	7.8	95.2	7.4	43.9	8.3	152.4	61.8	6.0	43.0	30.8	20.1	26.5
Gross National Savings	13.4	-16.2	16.9	50.4	15.3	13.7	61.6	22.2	33.8	23.0	72.4	41.3	6.5	31.8	27.0	21.4	16.9
Mid-year Population (in Million)	2.7	2.6	2.5	2.6	2.7	2.5	3.4	3.5	2.5	2.6	2.4	2.5	2.5	2.6	2.4	2.4	2.4
Per Capita GDP (Birr) (Nominal)	-0.9	-4.8	7.6	15.0	20.1	20.9	29.1	42.6	31.6	11.2	32.9	41.5	13.1	19.4	19.4	15.0	14.5
Per Capita GDP (Birr) (Real)	4.6	-0.9	-4.5	8.9	9.7	8.8	8.1	7.5	7.3	7.8	10.9	5.9	7.9	7.6	7.7	4.8	7.7
Average Exchange Rate (Birr/USD)	2.3	2.5	0.5	0.6	0.3	0.3	1.3	5.1	12.8	23.7	24.9	7.0	6.1	4.3	5.4	5.0	6.2
Real GDP (USD)	8.7	1.2	-1.8	13.2	12.3	10.6	5.8	16.6	9.1	12.5	57.6	1.6	3.6	5.7	4.7	2.8	4.1
GDP at Current Market Prices (USD)	-0.3	-4.6	9.8	17.3	22.6	23.2	29.0	37.4	19.8	-7.7	8.6	35.6	9.5	17.3	16.1	12.1	10.4
Per Capita GDP (USD) (Nominal)	-3.1	-7.2	6.9	14.5	20.4	19.9	27.8	35.5	16.6	-9.9	6.2	32.2	6.8	14.4	13.4	9.5	7.8
Per Capita GDP (USD) (Real)	5.9	-1.4	-4.2	10.3	9.3	7.9	2.3	12.7	6.4	9.7	53.8	-1.0	1.8	3.1	2.3	-0.1	1.6
Percentage Change in GDP Deflator	-5.8	-3.6	12.8	3.8	9.9	11.6	17.3	30.4	24.3	1.3	20.1	33.5	4.9	11.0	6.4	0.0	6.3

Source: MOFED

Annex 6: Summary of External Public Debt

(In Millions of Birr)

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	(1999)	(2000)	(2001)	(2002)	(2003)	(2004)	(2005)	(2006)	(2007)	(2008)	(2009)
EXTERNAL DEBT											
Disbursed *	20354.9	25579.0	45351.8	72617.8	125841.3	153361.2	204193.8	267144.7	383662.4	454000.2	526545.8
Undisbursed	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
DRAWINGS (gross)	2,528.9	3,487.4	8,141.8	14,413.7	33,527.6	28,475.3	49,247.2	60,151.4	128994.7	72697.2	63957.5
REPAYMENTS (1)	-155.4	-432.2	-231.4	-883.0	-2904.9	-5332.2	-7806.3	-9643.6	-14468.2	-16139.7	-18504.8
DEBT SERVICING (2)	523.8	747.3	510.2	1,298.5	3,898.6	7,109.9	10,321.9	12,660.9	19,598.6	23,655.1	27,980.1
Principal	155.4	432.2	231.4	883.0	2,904.9	5,332.2	7,806.3	9,643.6	14468.2	16,139.7	18,504.8
Interest (3)	368.4	315.1	278.7	415.5	993.7	1,777.6	2,515.6	3,017.3	5130.4	7,515.4	9,475.4
DEBT SERVICE TO EXPORT OF GOODS RATIO	5.0	5.5	3.4	5.0	8.8	13.0	18.2	20.1	32.1	34.9	37.3
EXTERNAL DEBT TO GDP (%)	12.0	10.4	13.7	19.2	24.4	20.5	23.6	25.2	29.6	29.5	29.1
EXPORT OF GOODS	10,422.3	13,549.5	15,088.1	25,822.1	44,277.5	54,771.8	56,690.5	62,947.9	61,064.4	67,740.8	75,079.0
GDP (Current Basic Price)**	170,280.4	245,836.3	332,060.1	379,134.8	515,078.5	747,326.5	866,921.1	1,060,825.0	1,297,962.0	1,541,277.2	1,806,656.1

Source: Ministry of Finance and Economic Development

*Excludes State defence Credits and Ruble denominated debt.

(1)-on cash basis; includes repayments of Trust Fund Loans, and repurchases from IMF.

(2)-on accrual basis; includes repayments of Trust Fund Loans, and repurchases from IMF.

(3) - Includes IMF charges and interest.

**2015/16 and 2016/17 data are based on 2015/16 rebased GDP series while the others are based on old GDP series

Annex 7: BALANCE OF PAYMENTS

(In Millions of Birr)

particulars	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	(1996)	(1997)	(1998)	(1999)	(2000)	(2001)	(2002)	(2003)	(2004)	(2005)	(2006)	(2007)	(2008)	(2009)
TRADE BALANCE	-17,121.4	-24,358.3	-31,186.6	-34,658.8	-49,410.0	-65,427.0	-80,771.4	-88,739.9	-136,073.2	-151,831.4	-198,611.2	-270,074.2	-292,475.4	-289,027.5
Export(fob)	5,176.6	7,076.3	8,683.5	10,422.3	13,549.5	15,088.1	25,822.1	44,277.5	54,771.8	56,690.5	62,947.9	60,671.0	60,526.0	65,167.1
Coffee	1,940.8	2,900.1	3,075.2	3,730.4	4,848.4	3,916.7	6,810.4	13,567.6	14,373.2	13,584.5	13,626.8	15,683.9	15,253.7	19,795.6
Other Exports	3,270.5	4,429.7	5,608.3	6,691.8	8,701.1	11,171.3	19,011.8	30,709.9	40,398.6	43,105.9	49,321.1	44,987.1	45,272.3	45,371.5
Imports (c.i.f)	-22,298.0	-31,434.5	-39,870.1	-45,081.1	-62,959.6	-80,515.0	-106,593.6	-133,017.4	-190,845.0	-208,521.9	-261,559.1	-330,745.2	-353,001.4	-354,194.6
Fuel	-2,676.5	-5,785.6	-7,469.1	-7,695.8	-14,988.2	-13,095.4	-16,896.1	-26,744.3	-36,658.8	-39,571.5	-49,081.4	-41,013.5	-28,260.8	-40,873.9
Other Imports	-19,621.5	-25,648.9	-32,401.0	-37,385.3	-47,971.4	-67,419.6	-89,697.5	-106,273.1	-154,186.2	-168,950.4	-212,477.7	-289,731.7	-324,740.5	-313,320.8
Net Services	2,124.8	2,095.0	1,282.2	1,626.9	1,349.6	4,021.3	5,900.2	11,090.7	12,923.3	8,353.1	12,715.4	-7,066.8	-13,064.9	-12,258.4
Travel	868.2	986.6	524.3	558.4	1,383.8	2,167.5	2,890.1	9,266.1	8,500.8	5,844.1	5,602.3	1,681.7	-1,386.5	-951.7
Other Transportation	493.7	611.5	375.0	709.7	1,195.3	2,323.8	3,111.9	5,198.0	5,781.7	10,321.9	13,658.8	8,242.8	11,209.2	8,569.4
Government(n.i.e.)	1,495.5	1,530.1	2,417.7	1,933.0	1,242.4	1,671.4	2,901.7	3,987.5	3,483.5	3,644.4	5,551.5	3,661.7	7,600.2	8,625.2
Investment Income	-548.0	-309.5	-148	267.3	190.4	-348.0	-712.9	-1,120.2	-1,659.8	-2,049.5	-2,914.6	-5,481.1	-7,886.8	-10,883.6
Other Services	-184.6	-723.6	-2,020.1	-1,841.5	-2,662.3	-1,793.4	-2,290.7	-6,240.8	-14,813.9	-9,407.8	-9,182.6	-15,171.9	-22,601.0	-17,617.7
Net Goods & Services	-14,996.6	-22,263.3	-29,904.4	-33,031.9	-48,060.4	-61,405.7	-74,871.3	-77,649.2	-134,780.9	-143,478.3	-185,895.8	-277,141.0	-305,540.2	-301,286.0
Private Transfers (net)	6,694.7	8,448.9	10,645.9	13,768.7	22,131.1	28,205.0	34,928.9	44,404.5	56,001.5	65,054.5	78,477.7	98,099.1	135,680.5	122,945.6
Current Account Balance	-8,301.9	-13,414.3	-19,258.5	-19,263.2	-25,929.3	-33,200.7	-39,942.4	-33,244.7	-78,779.3	-78,423.8	-107,418.1	-179,041.9	-169,859.8	-178,340.4
Public Transfers (net)	4,917.9	6,488.2	6,562.1	10,545.6	12,132.4	16,166.3	24,564.9	29,991.2	30,848.5	27,836.5	27,911.7	30,301.9	29,359.9	32,014.6
Non Monetary Capital (net)	3,033.6	5,056.3	2,324.6	6,687.5	9,535.3	17,173.0	31,209.1	48,287.8	39,394.8	59,883.0	78,866.1	166,504.4	137,382.3	153,119.0
Public Long Term (net)*	3,347.3	3,806.2	2,543.5	2,372.4	2,831.5	7,526.7	18,879.0	30,785.2	22,982.5	39,141.3	50,373.7	121,560.3	66,071.7	56,722.1
Short-term	-313.8	-47.8	-218.9	-268.5	-826.4	333.5	-49.0	-2,523.7	-2,085.3	-1,667.4	510.3	690.1	2,322.0	2,913.8
FDI	10.3	1,297.8	3,169.4	4,583.6	7,530.2	9,312.8	12,379.1	20,026.4	18,497.6	22,409.0	27,982.1	44,254.0	68,988.6	93,483.1
Net errors and Omissions	1,551.5	992.5	8,888.7	2,455.2	1,946.7	5,211.7	-11,749.8	-22,724.0	-8,248.0	-9,414.3	-1,207.8	-28,242.5	-14,418.5	7,969.0
Overall Balance	1,201.0	-877.4	-1,483.0	425.1	-2,315.0	5,350.3	4,081.8	22,310.3	-16,784.1	-118.6	-1,848.1	-10,478.1	-17,536.1	14,762.1
Financing :	-1,201.0	877.4	1,483.0	-425.1	2,315.0	-5,350.3	-4,081.8	-22,310.3	16,784.1	118.6	1,848.1	10,478.1	17,536.1	-14,762.1
Monetary Authorities (Reserves). net	-1,903.6	152.5	1,804.2	-161.5	2,587.6	-5,155.6	-3,927.6	-22,174.9	16,922.4	282.3	1,914.0	10,478.1	17,536.1	-14,762.1
Arrears Change	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
Debt Relief	702.5	724.8	-321.2	-263.7	-272.6	-194.7	-154.2	-135.4	-138.4	-163.8	-65.8	0.0	0.0	0.0
Cancellation	81.9	552.3	321.2	263.7	272.6	194.7	154.2	-135.4	-138.4	-163.8	-65.8	0.0	0.0	0.0
Rescheduling	620.6	172.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: NBE Staff Compilation

*: Includes other public sector long-term loan and private loan

Annex 8: Value of Major Exports

(In Thousands of Birr)

Commodity	2001/02 (1994)	2002/03 (1995)	2003/04 (1996)	2004/05 (1997)	2005/06 (1998)	2006/07 (1999)	2007/08 (2000)	2008/09 (2001)	2009/10 (2002)	2010/11 (2003)	2011/12 (2004)	2012/13 (2005)	2013/14 (2006)	2014/15 (2007)	2015/16 (2008)	2016/17 (2009)
Coffee	1,393,809	1,418,324	1,926,679	2,901,327	3,076,494	3,741,745	4,897,344	3,932,229	6,913,380	13,617,880	14,424,848	13,597,850	13,708,114	15,734,933	15,267,167	19,897,559
Oilseeds	278,738	395,565	712,738	1,082,215	1,835,270	1,654,707	2,037,090	3,819,429	4,670,849	5,282,979	8,174,105	8,096,548	12,477,209	10,269,298	10,076,703	7,891,363
Leather and Leather products	474,426	448,003	375,844	585,185	651,333	789,162	917,534	763,692	732,603	1,690,161	1,894,381	2,205,364	2,474,650	2,644,748	2,424,089	2,558,996
Pulses	281,409	171,244	194,679	306,609	320,969	619,560	1,333,631	946,826	1,677,731	2,332,692	2,762,646	4,251,496	4,790,443	4,409,212	4,886,963	6,276,563
Meat Products	9,423	20,781	66,676	126,152	160,842	135,518	193,944	273,518	440,952	1,024,706	1,358,079	1,350,634	1,424,013	1,865,868	2,026,533	2,214,722
Fruits & Vegetables	80,114	82,118	109,663	139,053	114,541	142,208	118,398	124,029	412,605	512,635	775,375	798,839	877,215	956,614	1,128,061	1,257,748
Sugar	85,106	153,712	88,632	5,277	-	-	17,879	178,587	124	-	-	0	-	-	-	115,432
Gold	300,715	361,026	419,858	513,364	562,141	863,856	735,122	1,034,498	3,709,812	7,540,512	10,417,359	10,536,983	8,722,191	6,399,026	6,113,142	4,683,991
Oil Cakes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Live Animals	7,132	4,129	16,454	110,875	239,240	323,066	376,474	539,985	1,177,286	2,387,246	3,565,928	3,022,721	3,553,276	2,976,556	3,090,572	1,506,509
Chat	418,674	497,866	758,878	866,803	773,235	816,802	1,000,785	1,448,075	2,710,332	3,836,251	4,144,328	4,936,460	5,670,686	5,468,030	5,511,987	6,113,690
Petroleum Products	-	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bee's Wax	6,006	4,032	8,280	9,588	12,551	16,090	17,091	16,437	20,605	29,127	37,333	47,778	52,046	95,727	51,326	60,567
Tantaleim	-	34,324	34,472	43,430	37,721	54,488	56,563	72,109	153,608	462,481	288,206	92,238	86,422	202,646	151,564	137,861
Cotton	-	96,106	105,138	15,700	59,465	126,810	178,420	63,089	137,759	8,651	3,259	157,790	20,036	236	12	-
Text. & Text. Pdt's	-	-	75,838	62,143	95,012	109,416	141,137	143,433	297,312	1,000,168	1,460,989	1,773,244	2,100,917	1,969,322	1,633,981	2,004,286
Cereals and Flour	-	120,991	102,553	75,313	123,839	15,909	18,987	3,274	74,756	528,438	106,556	70,232	213,115	319,557	185,208	645,101
Natural Gum	-	18,878	37,057	42,596	45,042	49,691	63,929	100,044	163,964	206,788	202,777	204,688	231,460	230,954	175,998	266,180
Civet	-	2,574	1,724	-	-	-	-	-	-	-	-	-	-	-	-	-
Hop	-	1,716	2,585	236	-	-	-	-	-	-	-	-	-	-	-	-
Animal Fodder	-	2,574	2,585	24,087	3,896	20,432	26,130	248	61,654	430	75	217	-	251	-	-
Natural Honey	-	8	259	458	686	10,408	5,963	5,564	24,663	26,794	55,998	52,866	47,227	46,140	41,928	31,344
Marble	-	8	-	62	-	-	-	-	-	-	-	-	-	-	-	-
Flower	-	69	19,821	67,808	189,006	561,307	1,037,924	1,374,357	2,204,195	2,845,760	3,402,184	3,401,603	3,817,384	4,086,866	4,737,809	4,905,508
Beverage	-	1,716	3,447	3,720	2,687	5,390	-	12,636	22,096	33,877	76,521	92,157	59,895	79,901	109,781	90,513
Spices	-	37,756	59,981	92,983	89,247	97,459	114,717	117,028	242,480	567,238	620,121	546,642	561,152	647,849	566,215	554,729
Others	37,756	263,688	54,624	256,274	292,157	303,593	354,913	248,664	266,540	690,752	723,699	887,241	1,355,529	1,456,645	1,546,716	2,473,084
RE-exports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	3,373,308	4,137,208	5,178,465	7,331,258	8,685,376	10,457,615	13,643,976	15,217,753	26,115,306	44,525,565	54,494,767	56,123,592	62,243,000	59,860,381	59,725,753	63,685,744

Sources: Ethiopian Revenues and Customs Authority

Annex 9: Quantity of Major Exports

(In Metric Tons)

Commodity	2001/02 (1994)	2002/03 (1995)	2003/04 (1996)	2004/05 (1997)	2005/06 (1998)	2006/07 (1999)	2007/08 (2000)	2008/09 (2001)	2009/10 (2002)	2010/11 (2003)	2011/12 (2004)	2012/13 (2005)	2013/14 (2006)	2014/15 (2007)	2015/16 (2008)	2016/17 (2009)
Coffee	110,346.95	126,127.58	156,408.56	161,060.55	147,724.98	176,438.02	170,741.18	133,997.69	172,217.23	172,217.23	169,408.06	199,127.77	189,669.31	183,870.70	198,658.11	225,747.01
Oilseeds	76,604.41	82,801.23	105,945.50	170,797.64	265,649.05	234,976.09	152,091.12	286,986.63	298,998.08	254,186.46	367,436.15	283,853.59	313,526.60	319,461.91	436,573.50	333,514.13
Leather and Leather products	10,334.48	10,544.95	9,401.48	15,644.15	15,396.47	15,773.77	12,298.76	7,292.95	2,906.04	5,167.39	4,435.66	4,614.91	5,573.06	6,174.96	5,983.46	5,890.12
Pulses	109,227.46	66,154.41	73,279.84	121,652.98	110,437.68	158,751.81	233,021.05	137,968.66	225,663.01	224,482.34	226,157.63	357,518.78	353,022.19	340,736.88	375,425.13	392,743.28
Meat Products	662.48	1,722.17	4,007.03	7,274.47	7,955.34	5,849.77	6,484.28	7,476.57	10,182.20	16,877.37	17,665.96	15,466.31	14,971.98	19,034.52	18,965.08	19,564.98
Fruits & Vegetables	29,695.83	25,304.01	36,844.37	37,906.33	34,797.25	40,920.50	39,918.24	38,477.85	66,336.56	91,587.26	123,538.30	135,184.35	145,436.23	150,148.72	167,076.37	178,569.19
Sugar	58,041.41	77,000.00	16,015.99	15,001.29	-	-	63,391.93	47,646.06	4.00	-	11.18	0.02	-	-	-	51,126.64
Gold	4.77	5.00	4.48	5.99	4.97	5.58	3.76	4.87	8.91	11.18	12.19	12.31	11.64	9.04	8.58	5.97
Oil Cakes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Live Animals	165.68	607.07	3,141.42	21,225.97	33,294.12	43,665.07	39,968.83	36,728.82	67,930.48	112,802.55	144,885.27	100,888.37	105,827.48	77,860.31	77,779.01	36,066.48
Chat	9,376.67	6,105.58	18,515.46	19,389.92	22,258.79	22,666.78	22,405.69	25,399.82	36,087.68	40,971.74	41,052.87	47,163.67	51,689.76	49,204.18	47,000.13	48,818.10
Petroleum Products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bee's Wax	284.98	184.00	433.03	382.54	334.86	414.76	239.39	341.49	363.39	362.51	367.09	411.93	334.70	520.38	267.65	302.34
Tantalein	-	100.00	100.00	-	-	-	-	-	258.37	331.17	294.58	75.72	87.91	147.79	185.90	229.30
Cotton	-	9,000.00	9,000.00	-	-	-	-	-	7,822.75	152.17	126.93	5,673.61	751.98	8.29	0.34	-
Text. & Text. Prdts	-	-	-	-	-	-	-	-	6,418.52	8,537.56	10,799.76	15,935.97	18,638.34	14,858.30	12,281.54	16,192.82
Cereals and Flour	-	29,100.00	25,000.00	-	-	-	-	-	14,147.53	122,344.23	12,265.32	6,819.15	19,968.19	39,171.91	11,403.59	71,737.19
Natural Gum	-	-	-	-	-	-	-	-	4,374.29	4,416.78	3,503.66	3,268.07	3,402.88	3,472.77	2,351.01	3,383.90
Givet	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hop	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Animal Fodder	-	-	-	-	-	-	-	-	26,462.37	286.61	48.93	40.01	-	-	-	-
Natural Honey	-	-	-	-	-	-	-	-	561.61	520.30	876.66	839.54	742.35	681.18	592.53	444.10
Marble	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flower	-	-	-	-	6,257.85	13,601.24	22,402.58	29,166.11	35,958.90	41,562.61	46,797.66	42,438.23	44,720.52	46,330.67	50,629.10	49,356.08
Beverage	-	-	-	-	-	-	-	-	1,993.05	2,739.15	3,829.13	3,971.20	2,201.69	2,990.00	4,213.56	3,943.14
Spices	-	-	-	-	-	-	-	-	15,595.18	12,803.27	17,207.29	24,239.60	21,261.15	19,146.48	13,374.79	12,427.56

Sources: Ethiopian Customs Authority

Annex 10: Unit Value of Export Items

(Birr/Kg)

Commodity	2001/02 (1994)	2002/03 (1995)	2003/04 (1996)	2004/05 (1997)	2005/06 (1998)	2006/07 (1999)	2007/08 (2000)	2008/09 (2001)	2009/10 (2002)	2010/11 (2003)	2011/12 (2004)	2012/13 (2005)	2013/14 (2006)	2014/15 (2007)	2015/16 (2008)	2016/17 (2009)
Coffee	12.63	11.25	12.32	18.01	20.83	21.21	28.68	29.35	40.14	79.07	85.15	68.29	72.27	85.58	76.85	88.14
Oilseeds	3.64	4.78	6.73	6.34	6.91	7.04	13.39	13.31	15.62	20.78	22.25	28.52	39.80	32.15	23.08	23.66
Hides & Skins	45.91	42.49	39.98	37.41	42.30	50.03	74.60	104.72	252.10	327.08	427.08	477.88	444.04	428.30	405.13	434.46
Pulses	2.58	2.59	2.66	2.52	2.91	3.90	5.72	6.86	7.43	9.95	12.22	11.89	13.57	12.94	13.02	15.98
Meat Products	14.22	12.07	16.64	17.34	20.22	23.17	29.91	36.58	43.31	60.71	76.88	87.33	95.11	98.03	106.86	113.20
Fruits & Vegetables	2.70	3.25	2.98	3.67	3.29	3.48	2.97	3.22	6.22	5.60	6.28	5.91	6.03	6.37	6.75	7.04
Sugar	1.47	2.00	5.53	0.35			0.28	3.75	31.11		-	12.31				
Gold (Birr/kg)	63,099.01	72,228.69	93,670.66	85,698.86	112,997.71	154,842.87	195,766.75	212,353.76	416,272.78	674,351.38	854,697.83	856,074.12	749,397.85	708,167.65	712,719.12	784,603.30
Oil Cakes																
Live Animals	43.05	6.80	5.24	5.22	7.19	7.40	9.42	14.70	17.33	21.16	24.61	29.96	33.58	38.23	39.74	41.77
Chat	44.65	81.54	40.99	44.70	34.74	36.04	44.67	57.01	75.10	93.63	100.95	104.67	109.71	111.13	117.28	125.23
Petroleum Products																
Bee's Wax	21.07	21.91	19.12	25.06	37.48	38.79	71.40	48.13	56.70	80.35	101.70	115.99	155.50	183.96	191.77	200.33
Tantalein		343.24	344.72					594.53		1,396.52	978.36	1,218.19	983.12	1,371.18	815.30	601.23
Cotton		10.68	11.68					17.61		56.85	25.67	27.81	26.67	28.47	33.79	
Text. & Text. Prdts									46.32	117.15	135.28	111.27	112.72	132.54	133.04	123.78
Cereals and Flour		4.16	4.10					5.28		4.32	8.69	10.30	10.67	8.16	16.24	8.99
Natural Gum								37.48	46.82	46.82	57.88	62.63	68.02	66.50	74.86	78.66
Civet																
Hop																
Animal Fodder									2.33	1.50	1.52	5.43				
Natural Honey								43.91		51.50	63.88	62.97	63.62	67.74	70.76	70.58
Marble																
Flower					30.20	41.27	46.33	47.12	61.30	68.47	72.70	80.15	85.36	88.21	93.58	99.39
Beverage									11.09	12.37	19.98	23.21	27.20	26.72	26.05	22.95
Spices									15.55	44.30	36.04	22.55	26.39	33.84	42.33	44.64

Sources: Ethiopian Customs Authority

Table 11: Value of Major Imports

(in Thousands of Birr)

Period	Food & Live Animals	Beverages	Tobacco	Petroleum Crude	Petroleum Prod.****	Chemicals	Fertilizers	Medical & Pharm. Prod	Soap & Polish	Rubber Prod.	Paper & Paper Manfc.
1979/80	72,251	1,161	10,745	244,973	94,411	113,242	81,458	68,816	14,318	35,221	22,762
1980/81	88,901	2,470	15,860	287,469	57,853	85,478	3,963	40,901	18,941	38,531	33,352
1981/82	135,534	1,446	21,853	329,322	32,131	89,453	16,211	48,163	26,521	44,430	24,946
1982/83	174,476	1,663	17,017	360,414	36,578	136,636	28,969	38,918	24,246	35,719	16,886
1983/84	168,465	6,449	13,382	325,649	52,739	107,212	26,272	51,615	15,666	38,976	26,071
1984/85	345,020	1,805	12,827	281,751	36,174	76,716	36,103	41,980	6,174	41,477	11,762
1985/86	530,599	4,962	2,835	220,261	32,273	87,935	44,685	58,513	6,683	45,569	34,944
1986/87	320,380	6,157	6,261	163,341	62,483	115,166	29,929	68,638	10,572	60,018	23,909
1987/88	246,454	7,858	11,788	181,842	34,728	110,729	72,521	50,280	10,804	51,106	29,796
1988/89	294,652	21,877	560	175,339	37,512	142,131	69,846	58,440	9,079	46,798	28,094
1989/90	106,320	25,972	6,432	188,581	36,500	124,181	71,893	64,550	19,374	33,342	39,840
1990/91	263,350	16,163	3,564	185,376	25,050	85,072	79,548	36,305	26,013	41,867	27,775
1991/92	14,402	6,291	1,105	92,246	100,907	42,580	150	48,294	14,433	35,740	11,760
1992/93	497,536	20,867	4,845	444,282	376,808	135,269	13,106	131,578	37,490	73,278	30,565
1993/94	574,094	8,581	20,271	406,531	331,036	228,155	89,678	187,200	58,522	156,585	61,251
1994/95	906,743	13,305	10,580	522,564	471,350	179,614	343,947	193,305	30,818	184,843	53,780
1995/96	575,263	21,210	7,241	445,953	485,912	161,265	330,578	165,785	64,023	279,453	81,700
1996/97	37,222	8,590	93	76,900	1,427,200	47,021	173,813	77,317	55,593	188,170	78,351
1997/98	72,853	35,583	18,402	166,469	2,099,046	99,001	51,224	142,163	81,408	274,938	169,841
1998/99	558,422	37,405	26,393	2,281	1,306,707	142,008	377,582	315,940	100,718	345,274	199,440
1999/00	766,560	34,647	27,129	31	2,012,189	140,912	336,379	246,179	92,105	273,429	163,924
2000/01	641,597	34,628	28,561	0	2,151,326	153,782	126,860	293,784	140,236	408,838	217,050
2001/02	1,365,581	35,886	48,550	0	2,202,554	145,066	560,257	358,994	128,513	340,956	269,684
2002/03	1,697,566	33,509	35,614	0	2,463,917	165,902	462,662	352,193	145,207	376,787	218,152
2003/04	1,981,297	36,937	37,348	0	2,608,285	201,668	923,523	636,324	173,378	417,410	329,915
2004/05	1,566,093	52,090	52,034	0	5,736,666	250,951	1,055,294	671,524	240,863	536,827	434,417
2005/06	2,139,779	45,715	77,860	0	7,422,807	348,264	1,180,768	1,212,655	337,445	730,113	517,374
2006/07	1,799,700	68,204	74,841	0	7,524,664	399,852	933,867	1,410,844	328,116	838,145	565,483
2007/08	2,499,134	97,080	115,642	0	15,076,123	488,539	2,828,101	1,848,363	377,282	1,030,557	770,591
2008/09	7,251,053	89,171	104,398	0	17,219,182	677,521	3,008,355	2,771,689	552,503	1,422,155	819,639
2009/10	7,713,047	142,346	177,543	0	18,891,592	888,064	3,221,932	3,936,222	530,093	2,220,337	1,188,178
2010/11	3,966,149	167,354	230,682	0	22,299,884	1,118,884	5,665,269	5,054,381	685,949	2,515,039	1,137,791
2011/12	12,692,391	206,514	270,210	0	35,868,583	1,357,151	10,503,430	6,488,435	1,128,549	3,373,729	1,843,948
2012/13	11,635,650	261,691	193,101	0	26,565,255	2,092,402	5,332,244	7,169,253	907,442	4,030,338	2,064,095
2013/14	9,165,826	533,829	91,441	18	47,619,870	3,647,031	7,808,484	2,389,297	2,186,493	5,858,244	1,992,580
2016/17	14,830,981	699,400	122,286	3,729	37,325,714	3,323,962	12,279,084	2,091,492	3,090,001	6,708,574	2,457,186

* Included in "Food & Live Animals".
Source: Ethiopian Customs Authority.

Table 11 continued:

Period	Textiles	Clothings	Glass & Glass Ware	Metal & Metal Manfc.	Machinery & Aircraft	Road Motor Vehicles	Electrical Materials	Grain*	Telecomm. Appara.	Others	GRAND TOTAL
1979/80	57,367	6,832	5,559	104,162	202,231	135,789	44,976	40,179	13,346	103,238	1,432,858
1980/81	59,820	4,315	7,480	100,111	213,390	165,328	35,137	44,374	20,114	104,820	1,384,234
1981/82	71,538	6,077	3,464	76,848	227,599	259,372	43,613	76,919	29,186	153,954	1,641,661
1982/83	55,213	5,557	4,986	145,946	234,440	164,765	81,786	118,846	19,765	168,965	1,752,945
1983/84	58,643	3,810	6,563	162,901	519,770	210,621	97,873	114,595	23,204	149,124	2,065,005
1984/85	69,041	7,709	4,195	143,378	225,132	179,589	56,143	257,865	30,419	163,038	1,770,433
1985/86	79,186	3,476	3,690	166,878	274,699	287,134	76,691	382,447	45,754	194,498	2,201,265
1986/87	58,479	4,558	5,742	156,406	327,659	339,324	102,472	280,296	74,507	301,145	2,236,946
1987/88	69,510	2,673	4,563	174,624	465,211	369,944	81,220	177,566	88,323	210,677	2,274,651
1988/89	62,156	8,319	2,761	172,831	335,284	279,220	83,705	228,633	59,141	222,608	2,110,353
1989/90	55,404	2,742	6,937	212,696	304,650	189,288	101,802	72,882	49,759	183,856	1,824,119
1990/91	44,920	14,488	5,180	153,769	562,457	249,844	58,889	202,106	48,189	202,486	2,130,305
1991/92	73,571	14,705	3,517	49,487	189,544	177,203	42,756	1,019	32,882	859,324	1,810,897
1992/93	130,409	15,514	9,035	172,058	699,420	402,403	97,670	418,157	47,669	278,915	3,618,718
1993/94	186,946	34,117	14,809	496,052	367,949	825,890	192,150	483,624	25,562	474,589	4,739,967
1994/95	229,950	54,033	24,368	563,219	710,882	1,015,951	286,193	586,760	20,677	730,150	6,546,274
1995/96	308,065	76,391	32,944	709,985	854,155	1,393,422	328,577	506,124	51,400	1,334,922	7,708,246
1996/97	414,162	69,542	40,789	973,897	1,414,978	1,117,480	636,728	8,328	17,108	1,837,538	8,505,200
1997/98	396,757	114,866	41,452	969,100	1,099,417	795,978	776,492	18,160	14,950	1,918,519	9,338,459
1998/99	473,804	230,897	69,704	1,416,817	1,375,843	1,390,946	1,032,004	340,647	42,305	2,257,512	11,702,004
1999/00	433,134	279,885	58,403	919,528	1,351,512	1,548,459	938,299	646,316	32,656	1,783,302	11,438,661
2000/01	461,188	345,433	88,056	1,188,971	1,480,393	1,456,285	782,018	461,335	66,419	2,248,531	12,313,956
2001/02	471,499	467,110	72,787	1,359,231	1,667,774	1,435,245	893,039	1,246,119	101,456	3,364,964	14,485,289
2002/03	599,604	478,039	78,075	1,311,504	1,963,002	1,817,630	1,059,754	1,580,973	111,634	2,696,596	16,067,348
2003/04	606,295	601,949	104,362	2,012,945	2,397,183	2,124,501	2,447,540	1,573,618	502,494	4,152,333	22,295,690
2004/05	774,285	836,015	125,294	3,476,768	4,553,244	2,811,972	3,062,726	1,334,778	344,108	4,853,003	31,434,174
2005/06	1,065,381	1,291,287	145,048	4,157,675	5,305,516	4,183,804	2,978,793	1,621,232	365,874	6,366,919	39,873,075
2006/07	808,907	1,523,051	163,834	4,460,322	7,036,854	6,062,546	2,968,701	1,323,878	329,270	7,829,238	45,126,438
2007/08	986,145	1,198,037	243,667	7,051,109	7,118,469	4,279,547	4,404,967	1,902,765	243,818	12,489,774	63,146,946
2008/09	1,023,983	1,124,962	235,344	7,990,303	8,713,241	4,859,888	5,866,530	6,285,857	51,369	20,895,905	84,677,193
2009/10	1,476,236	2,433,694	267,320	11,618,002	12,278,627	8,503,493	7,728,010	6,190,933	102,036	25,639,499	108,956,272
2010/11	1,982,717	2,430,231	334,932	10,778,367	16,015,252	13,180,603	7,195,551	2,739,632	73,258	34,861,069	129,693,362
2011/12	2,892,344	4,218,310	522,024	19,678,247	20,529,023	17,831,730	8,696,845	10,436,910	80,038	43,405,637	191,587,139
2012/13	2,744,224	4,449,522	722,828	21,688,480	28,035,377	20,493,273	11,912,689	9,865,215	96,583	46,476,571	196,871,016
'2013/14	4,622,749	5,442,436	1,942,407	29,939,445	36,774,861	23,820,186	22,735,293	5,603,599	349,551	54,917,318	261,837,358
2014/15	5,819,130	6,802,500	2,477,281	45,631,138	45,707,264	31,471,855	43,251,536	2,971,791	1,489,172	69,309,407	330,794,233
2015/16	5,669,241	7,990,759	2,731,966	46,750,241	58,130,972	33,759,296	37,416,225	3,617,393	1,212,163	78,644,190	353,013,856
2016/17	5,416,692	8,529,700	3,376,822	41,572,482	56,981,595	33,498,960	30,086,052	3,847,407	7,730,645	78,480,806	352,453,569

* Included in "Food & Live Animals"

Source: Ethiopian Customs Authority

in metric tones

Table 12: volume of Major Imports

(In Metric Tons)

Period	Food & Live Animals	Beverages	Tobacco	Petroleum Crude	Petroleum Prod.	Chemicals	Fertilizers	Medical & Pharm. Prod	Soap & Polish	Rubber Prod.
1979/80	128,453.0	389.0	896.0	671,245.0	94,652.0	33,264.0	125,845.0	1,580.0	9,753.0	6,871.0
1980/81	124,219.0	478.0	1,443.0	690,482.0	56,602.0	34,286.0	6,845.0	2,849.0	11,764.0	6,724.0
1981/82	178,264.0	661.0	1,033.0	713,236.0	18,409.0	3,572.0	29,393.0	2,887.0	17,283.0	8,567.0
1982/83	259,465.0	393.0	1,032.0	778,898.0	20,796.0	40,440.0	41,651.0	1,796.0	15,253.0	7,712.0
1983/84	289,533.0	1,035.0	1,104.0	785,158.0	55,168.0	47,274.0	36,078.0	2,829.0	8,378.0	9,170.0
1984/85	601,897.0	429.0	886.0	718,827.0	19,615.0	38,060.0	72,828.0	2,736.0	4,240.0	8,899.0
1985/86	846,775.0	1,077.0	117.0	727,531.0	16,176.0	43,618.0	108,079.0	3,925.0	5,314.0	15,244.0
1986/87	599,912.0	1,074.0	604.0	813,554.0	20,463.0	45,782.0	39,217.0	4,326.0	17,705.0	11,330.0
1987/88	565,624.0	920.0	2,389.0	73,226.0	19,007.0	41,520.0	152,777.0	3,784.0	13,093.0	10,325.0
1988/89	551,147.0	507.0	19.0	769,438.0	20,510.0	39,050.0	112,897.0	5,888.0	5,438.0	9,157.0
1989/90	128,060.0	2,058.0	1,167.0	776,307.0	34,604.0	46,591.0	131,988.0	5,352.0	16,685.0	5,725.0
1990/91	401,515.0	1,720.1	779.6	494,081.0	12,724.0	27,984.0	91,966.0	11,647.0	19,185.0	6,484.0
1991/92	12,828.0	388.3	76.3	302,583.0	146,439.0	8,782.0	125.0	1,946.0	14,713.0	4,367.0
1992/93	440,582.2	610.5	256.3	740,043.1	332,905.0	22,856.8	10,308.4	2,587.2	20,773.6	6,888.9
1993/94	411,187.6	312.4	1,145.8	688,343.9	276,575.7	34,665.9	100,566.2	2,760.2	18,365.7	8,047.4
1994/95	622,468.5	478.7	696.0	674,312.5	471,183.5	22,459.1	218,133.1	4,037.9	9,498.4	10,009.4
1995/96	322,279.3	1,589.7	489.6	417,100.0	333,631.8	33,876.5	115,377.2	2,109.7	17,644.6	14,374.7
1996/97	13,068.9	1,175.9	232.7	34,924.2	914,285.0	15,796.1	101,305.4	3,662.9	30,290.4	23,098.5
1997/98	30,835.0	1,666.7	350.6	159,816.5	1,857,647.0	16,769.7	36,225.9	2,167.7	18,148.7	14,799.5
1998/99	225,025.9	3,170.5	693.2	3,006.8	1,064,451.0	121,440.1	175,442.2	6,260.4	23,958.4	15,148.1
1999/00	391,278.7	2,618.3	933.1	-	1,094,883.2	34,236.7	233,847.8	3,125.8	18,317.2	53,466.7
2000/01	420,439.3	1,746.6	1,006.0	-	950,043.7	30,294.1	79,524.9	2,820.2	28,859.6	22,398.6
2001/02	738,091.7	1,079.4	1,784.2	-	944,921.6	18,907.8	302,409.4	4,136.9	25,648.9	17,583.4
2002/03	645,141.6	1,252.6	724.4	-	1,460,960.0	19,577.6	252,258.6	3,502.5	27,847.2	18,395.7
2003/04	691,588.7	1,433.2	738.4	-	1,033,738.3	23,114.6	382,673.3	8,119.1	33,670.2	21,253.7
2004/05	576,638.2	1,806.5	919.7	-	1,823,335.6	29,232.2	352,064.6	4,580.7	42,352.6	26,637.1
2005/06	819,011.5	1,306.9	2,045.4	-	1,229,077.8	46,714.6	396,794.8	6,993.8	59,404.1	72,211.5
2006/07	597,407.9	2,222.9	1,565.8	-	1,454,121.6	42,222.5	272,802.8	7,010.7	49,042.3	31,256.4
2007/08	506,952.6	2,608.9	2,749.1	-	1,619,430.5	47,665.6	479,485.9	7,959.6	43,334.9	32,450.0
2008/09	1,834,398.8	2,024.2	1,767.6	-	1,404,122.1	53,302.7	528,635.4	11,796.6	51,938.2	37,305.6
2009/10	1,781,546.2	2,415.7	2,659.8	-	2,365,707.0	73,106.4	615,917.4	9,746.8	38,977.5	49,583.9
2010/11	547,512.7	2,308.8	2,228.5	-	1,795,018.8	56,496.0	622,239.2	15,022.9	34,381.8	37,465.4
2011/12	1,818,239.2	3,380.2	2,114.6	-	2,160,455.6	65,088.8	907,129.9	15,442.9	52,956.6	38,732.2
2012/13	1,105,099.7	13,902.5	7,115.5	7,384.2	1,506,402.8	92,926.1	402,556.6	23,612.5	162,562.4	32,775.3
2013/14	1,098,316.9	15,727.9	1,258.8	0.3	2,623,450.8	183,439.5	11,765.6	924.0	43,511.0	84,386.5
2014/15	1,556,755.8	19,058.0	1,148.3	7.4	2,822,058.9	182,043.5	13,804.2	950.6	51,552.3	87,619.2
2015/16	3,162,932.8	22,234.2	1,719.1	1.3	3,043,561.0	185,477.7	14,155.6	1,280.9	66,325.2	242,399.6
2016/17	1,727,544.8	26,622.6	1,506.3	72.6	3,439,316.5	173,795.5	22,687.0	851.4	65,506.2	108,356.6

* Included in "Food & Live Animals".

Annex 13: Value of Imports, by End Use

(In Millions of Birr)

Categories	2001/02 (1994)	2002/03 (1995)	2003/04 (1996)	2004/05 (1997)	2005/06 (1998)	2006/07 (1999)	2007/08 (2000)	2008/09 (2001)	2009/10 (2002)	2010/11 (2003)	2011/12 (2004)	2012/13 (2005)	2013/14 (2006)	2014/15 (2007)	2015/16 (2007)	2016/17 (2009)
RAW MATERIALS	254.1	187.3	223.9	424.9	670.5	1,310.8	2,384.6	3,645.3	2,699.3	2,997.3	3,439.2	2,644.6	3,182.9	3,426.4	3,147.3	2,809.2
SEMI-FINISHED GOODS	2,462.5	2,356.6	3,751.1	5,750.6	7,133.0	7,058.8	11,682.4	11,993.6	15,795.0	20,000.3	33,857.3	31,912.8	42,595.6	51,856.4	61,207.8	58,840.5
Chemicals	358.1	351.3	412.1	571.9	998.2	871.0	1,063.3	1,218.3	1,476.0	2,113.7	2,668.1	3,433.7	5,664.4	6,398.2	7,390.0	7,524.2
Fertilizers	560.0	462.5	919.1	1,055.1	1,180.4	1,245.8	2,827.9	3,008.2	3,221.9	5,664.7	10,502.7	5,331.5	7,643.5	10,163.6	9,167.6	8,354.9
Textile Materials	67.4	100.0	117.8	203.8	332.4	116.6	252.6	197.6	303.9	463.3	706.0	2644.6	983.7	1,311.2	1,335.6	1,580.9
Others	1,476.9	1,442.9	2,302.0	3,919.8	4,621.9	4,825.4	7,538.7	7,569.5	10,793.2	11,758.5	19,980.5	22,468.9	28,304.0	33,983.3	43,314.6	41,380.5
FUEL	2,286.7	2,468.3	2,676.5	5,785.6	7,472.5	7,688.1	15,076.1	17,562.7	19,209.7	23,025.0	37,247.9	27,635.1	49,114.6	40,943.1	28,246.3	39,122.6
Crude Petroleum	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.1	0.3	0.2	0.2	321.5	0.2	0.1	3.7
Petroleum Products	2,281.4	2,463.9	2,673.8	5,773.9	7,438.1	7,663.9	12,457.0	17,463.6	19,110.0	22,854.0	36,449.3	2,644.6	47,619.9	39,822.5	27,005.5	37,325.7
Others	5.3	4.4	2.8	11.8	34.4	24.2	54.1	99.0	99.6	170.6	798.4	648.0	1,173.3	1,120.3	1,240.7	1,793.2
CAPITAL GOODS	4,101.5	4,715.1	7,555.7	10,376.3	12,614.1	16,453.3	16,415.8	24,594.8	37,152.7	44,656.8	50,600.9	64,987.5	92,665.4	138,421.2	143,943.5	135,285.2
Transport	1,194.9	1,493.4	2,571.4	3,214.9	3,732.5	5,574.1	3,519.2	3,999.5	6,601.1	11,124.1	13,977.5	16,444.8	20,793.3	34,176.2	32,362.9	32,005.6
Tyres for Heavy Vehicle	206.7	245.7	304.0	473.1	424.4	479.5	575.7	848.5	1,307.4	1,380.6	1,842.4	2,644.6	3,089.2	2,741.6	2,818.8	3,186.6
Heavy Road Motor Vehicle	885.2	1,092.3	1,166.9	1,509.4	2,712.1	4,290.6	2,744.1	3,009.7	5,237.8	9,289.9	11,269.7	13,787.5	15,448.5	19,986.6	20,520.0	22,400.2
Aircraft	97.0	148.4	1,087.3	1,207.2	585.5	333.3	113.4	32.4	10.8	411.7	721.9	140.7	673.6	3,826.3	3,463.0	3,362.8
Others	5.9	7.1	13.2	25.2	10.4	470.7	85.9	109.0	45.0	41.9	143.5	220.1	1,582.0	7,621.8	5,561.1	3,056.0
Agricultural	59.4	50.6	92.9	210.9	336.2	290.1	378.6	330.9	772.2	1,024.7	2,064.9	2,644.6	3,218.2	1,444.7	1,761.4	1,691.4
Industrial	2,847.3	3,171.2	4,891.5	6,950.6	8,545.4	10,589.1	12,518.1	20,264.3	29,779.4	32,508.0	34,558.6	46,188.4	68,653.8	102,800.3	109,819.2	101,588.2
CONSUMER GOODS	5,015.2	5,614.9	7,719.7	8,531.9	11,127.9	11,590.4	14,037.0	23,532.6	32,582.1	36,901.6	59,934.5	62,793.0	70,444.7	90,614.3	111,228.7	109,625.0
Consumer Durables	1,308.0	1,575.1	2,539.4	2,918.5	3,609.2	4,578.1	4,244.2	5,885.1	11,203.4	13,995.3	18,128.5	19,837.3	22,458.8	32,305.5	33,062.2	38,146.8
Radio & Television	197.6	219.9	636.4	508.8	491.3	494.5	321.9	133.9	162.2	268.9	265.5	2,644.6	1,617.3	3,009.0	3,069.5	9,556.7
Tyres, Cars & Other Veh.	39.0	56.7	63.7	110.5	131.3	169.3	210.0	284.0	522.7	563.7	785.7	847.4	1,426.9	1,258.2	1,211.5	1,435.1
Cars & Other Vehicles	509.2	571.5	841.4	1,024.1	1,231.8	1,530.9	1,284.4	1,643.8	2,808.6	3,510.6	4,659.1	4,861.0	7,267.4	7,306.0	9,342.3	9,917.7
Others	562.2	727.0	997.8	1,275.1	1,754.8	2,383.4	2,427.9	3,823.4	7,710.0	9,652.2	12,418.3	13,824.2	12,147.1	20,732.4	19,438.9	17,237.3
Consumer Non-Durables	3,707.3	4,039.8	5,180.3	5,613.4	7,518.7	7,012.3	9,792.7	17,647.5	21,378.7	22,906.3	41,806.0	2,644.6	47,985.9	58,308.8	78,166.5	71,478.2
Cereals	1,325.5	1,623.8	1,776.7	1,383.0	1,692.9	1,414.3	1,937.5	6,473.6	6,670.4	3,176.9	11,225.7	10,222.6	8,440.1	12,065.3	21,856.7	12,363.7
Other Food	454.9	364.8	542.2	755.2	1,194.3	862.4	1,435.8	2,013.7	2,750.0	3,973.3	6,603.0	6,608.1	7,230.5	8,988.0	13,252.3	13,007.1
Medical & Pharmaceutical	421.3	418.5	787.8	738.6	1,285.9	1,510.4	1,959.5	2,949.0	4,153.3	5,344.1	6,713.3	7,647.2	10,820.2	11,823.4	13,636.1	15,028.2
Textile Fabrics	817.2	960.7	1,198.3	1,415.0	1,775.8	1,679.8	1,920.0	2,010.2	2,966.3	3,791.3	5,994.1	2,644.6	8,957.0	11,523.9	13,056.1	12,979.3
Others	688.4	671.9	875.4	1,321.5	1,569.8	1,545.3	2,540.0	4,201.0	4,838.7	6,620.7	11,269.9	11,453.9	12,538.1	13,908.1	16,365.2	18,100.0
MISCELLANEOUS	365.3	587.4	368.8	564.8	855.1	1,025.0	3,551.0	3,348.2	1,517.6	2,112.4	6,507.3	6,897.9	3,834.1	5,532.9	5,240.3	6,771.0
TOTAL IMPORTS	14,485.3	15,929.7	22,295.7	31,434.2	39,873.1	45,126.4	63,146.9	84,677.2	108,956.3	129,693.4	191,587.1	196,871.0	261,837.4	330,794.2	353,013.9	352,453.6

Source: Ethiopian Customs Authority.

Annex 14: Value of Imports, by Country of Origin

(In thousands of Birr)

Countries	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	1996	1997	1998	1999	2000	2001	2002	2003	2,004	2,005	2006	2007	2008	2009
Djibouti	490,147	468,910	726,236	489,067	248	745	613	1,464	4,194	14,656	6,060	13,765	26	55
Kenya	187,260	220,729	323,436	433,896	310,421	271,334	404,038	479,355	652,128	571,875	670,751	775,309	704,624	775,027
Sudan	81,067	433,620	225,298	440,442	1,316,789	865,409	1,280,691	2,379,923	1,899,249	175,036	3,372,556	2,782,296	885,021	2,697,549
U.A.E	1,496,001	1,902,736	2,551,785	2,366,158	6,185,088	4,590,216	5,410,863	8,814,413	4,072,607	6,225,994	13,411,898	9,493,860	9,676,620	8,283,685
France	527,871	654,753	776,264	805,939	830,261	1,274,036	1,047,157	2,140,545	2,572,641	3,382,183	2,476,004	3,416,216	4,176,288	4,505,121
Germany	836,194	1,043,711	1,497,594	1,656,840	2,074,085	1,769,858	2,486,242	2,958,633	3,130,180	3,635,738	6,647,651	6,916,081	7,849,773	5,711,671
Italy	1,132,998	1,334,427	2,198,689	3,474,463	3,255,577	4,828,243	5,237,869	5,782,030	6,782,256	8,869,965	9,435,122	10,188,233	13,340,823	15,518,260
Netherlands	533,744	461,105	620,995	619,844	400,232	696,441	943,605	1,471,114	1,585,694	1,712,577	3,608,203	5,311,881	4,140,319	4,540,833
U.K.	766,982	865,102	873,197	776,746	897,037	729,809	1,117,723	1,497,189	1,769,438	1,479,938	2,785,358	4,386,801	4,277,115	3,750,299
Russia	218,455	373,248	286,005	434,169	965,361	1,981,096	1,290,521	368,456	6,209,616	397,293	1,007,404	2,402,659	3,983,984	947,736
Yugoslavia	7	5,427	1,154	8,468	256	0	6,819	9,455	49	0	8	55	0	0
U.S.A.	2,619,019	3,317,965	3,181,562	1,698,913	2,756,286	3,510,082	6,728,159	4,394,329	7,831,544	7,082,276	13,436,708	15,043,777	26,691,945	22,894,078
China, P. Rep.	2,302,695	3,622,994	5,007,634	7,494,616	9,861,833	12,929,079	19,098,742	20,203,760	31,790,965	44,773,247	72,643,511	126,572,346	117,251,124	114,932,246
Japan	1,013,957	1,052,279	1,281,164	2,788,275	3,067,246	3,217,408	5,420,113	7,036,611	7,914,136	8,268,087	11,421,006	13,244,072	14,792,747	15,545,025
Saudi Arabia	1,876,410	5,348,311	7,335,352	6,829,549	8,320,018	12,778,050	13,834,142	11,630,212	26,664,514	20,459,836	21,229,838	16,717,802	7,964,805	10,728,631
Rest of the World	8,214,884	10,329,057	12,983,984	14,809,054	22,906,209	35,235,387	44,648,975	60,525,873	88,707,927	89,822,314	99,685,280	113,529,081	137,278,643	141,623,354
Total Import	22,297,690	31,434,374	39,870,350	45,126,438	63,146,946	84,677,193	108,956,272	129,693,362	191,587,139	196,871,016	261,837,358	330,794,233	353,013,856	352,453,569

Source: Ethiopian Customs Authority

Annex 15: Value of Exports, by Country of Destination*

(In Thousand of Birr)

countries	2003/04 (1996)	2004/05 (1997)	2005/06 (1998)	2006/07 (1999)	2007/08 (2000)	2008/09 (2001)	2009/10 (2002)	2010/11 (2003)	2011/12 (2004)	2012/13 (2005)	2013/14 (2006)	2014/15 (2007)	2015/16 (2008)
Djibouti	533,834	359,202	498,349	434,264	485,403	463,894	649,142	1,002,921	1,459,098	2,237,359	3,657,884	1,594,047	6,044,406
Kenya	2,360	17,923	21,123	32,806	28,805	31,735	57,321	127,738	176,617	190,938	383,110	586,440	1,479,737
Sudan	79,410	146,581	219,224	457,061	508,868	718,602	1,500,562	2,275,081	3,012,337	1,675,097	1,550,096	1,649,715	2,431,280
U.A.R	76,599	230,342	251,161	273,830	515,832	601,556	1,001,752	1,210,935	1,327,262	1,434,080	1,505,223	1,968,395	5,330,934
France	97,961	127,221	177,958	212,074	231,308	171,181	310,655	757,780	932,783	602,490	685,633	721,353	1,996,009
Germany	560,332	1,068,688	875,993	1,230,053	1,403,462	1,389,204	2,577,168	5,154,884	5,321,133	4,200,734	3,578,888	4,206,156	10,373,748
Italy	307,013	384,792	473,896	662,970	668,249	618,165	603,375	1,707,725	1,390,960	1,185,007	1,193,640	1,089,195	2,594,576
Netherlands	79,413	259,359	334,933	497,756	849,033	1,279,583	2,067,342	2,668,056	3,722,699	3,029,773	3,733,608	3,590,928	10,744,212
U.K.	182,969	219,673	238,064	295,283	314,553	623,890	565,172	921,147	980,160	859,631	1,034,641	701,778	2,674,567
Russia	9,510	17,913	14,396	30,831	46,340	41,278	98,095	125,733	212,833	215,319	382,323	305,929	595,221
Yugoslavia	0	0	0	0	287	874	0	0	0	0	0	0	0
U.S.A.	254,650	389,938	418,041	522,777	915,718	626,461	1,008,695	1,941,403	1,533,048	2,055,430	2,528,811	3,516,787	12,020,214
China, PRep.	109,600	363,121	1,166,677	526,539	583,046	1,966,171	2,838,166	4,024,701	5,669,068	4,660,202	7,588,195	7,378,001	21,895,205
Japan	554,408	554,687	676,177	640,340	861,305	67,358	311,632	628,239	796,091	1,617,076	1,304,904	1,965,575	3,692,518
Saudi Arabia	293,609	438,190	531,000	645,957	1,000,488	1,167,946	1,593,421	2,227,262	3,551,459	2,754,806	3,516,771	4,039,152	10,715,247
Rest of the World	2,034,976	2,753,627	2,788,385	3,995,074	5,218,877	5,450,022	10,932,808	19,751,961	24,409,230	29,405,617	29,599,272	26,546,929	76,348,608
Total Export	5,176,644	7,331,258	8,685,376	10,457,615	13,631,575	15,217,920	26,115,306	44,525,565	54,494,767	56,123,558	62,242,999	59,860,381	168,936,484

* Export value of Gold is not included in this table for the years before 2003/04

Sources: Ethiopian Customs Authority

Annex 16: Trade Balance with Major Trading Partners

(In Thousands of Birr)

Trading Country	2004/05 (1997)	2005/06 (1998)	2006/07 (1999)	2007/08 (2000)	2008/09 (2001)	2009/10 (2002)	2010/11 (2003)	2011/12 (2004)	2012/13 (2005)	2013/14 (2006)	2014/15 (2007)	2015/16 (2008)	2016/17 (2009)
Djibouti	- 109,708.40	- 227,886.98	- 54,802.98	- 485,155.80	- 463,149.06	- 648,529.24	- 1,001,457.15	- 1,454,904.13	- 2,222,702.71	- 3,651,824.36	- 1,580,282.16	- 4,016.00	- 4,018.00
Kenya	- 202,805.77	- 302,312.60	- 401,089.88	- 281,616.20	- 239,599.15	- 346,716.12	- 351,617.60	- 475,510.76	- 380,937.75	- 287,641.33	- 188,868.43	- 2,205,895.91	- 2,283,009.94
Sudan	- 287,039.55	- 6,074.50	- 16,618.44	- 807,920.94	- 146,807.40	- 219,871.32	- 104,841.61	- 1,113,078.02	- 1,500,060.96	- 1,822,459.92	- 1,132,580.04	- 85,796.43	- 411,075.40
U.A.R	- 1,672,394.38	- 2,300,624.91	- 2,092,327.71	- 5,669,255.49	- 3,988,660.17	- 4,409,111.82	- 7,603,477.98	- 2,745,344.93	- 4,791,914.45	- 11,906,674.53	- 7,525,465.25	- 448,586.45	- 1,714,234.10
France	- 527,531.44	- 598,306.35	- 593,865.25	- 598,953.08	- 1,102,854.82	- 736,501.88	- 1,382,765.13	- 1,639,858.10	- 2,779,693.14	- 1,790,370.93	- 2,694,863.31	- 8,013,416.29	- 5,588,929.30
Germany	- 24,976.64	- 621,601.18	- 426,786.80	- 670,623.02	- 380,653.97	- 90,926.39	- 2,196,251.31	- 2,190,952.75	- 564,995.40	- 3,068,763.28	- 2,709,924.55	- 3,496,322.40	- 3,677,616.68
Italy	- 949,634.60	- 1,724,793.44	- 2,811,492.76	- 2,587,327.50	- 4,210,077.33	- 4,634,493.66	- 4,074,305.46	- 5,391,295.81	- 7,684,957.61	- 8,241,481.74	- 9,099,038.57	- 4,475,272.13	- 1,768,424.37
Netherlands	- 201,745.96	- 286,061.76	- 122,087.45	- 448,800.41	- 583,141.73	- 1,123,736.81	- 1,196,942.26	- 2,137,005.00	- 1,317,196.72	- 125,404.59	- 1,720,952.73	- 12,374,622.20	- 14,170,550.33
U.K.	- 645,429.55	- 635,132.90	- 481,463.36	- 582,484.62	- 105,918.95	- 552,551.56	- 576,042.47	- 789,278.06	- 620,306.94	- 1,750,717.36	- 3,685,023.03	- 435,183.35	- 362,842.14
Russia	- 355,334.76	- 271,608.89	- 403,338.23	- 919,020.46	- 1,939,817.46	- 1,192,426.11	- 242,723.10	- 5,996,783.27	- 181,974.19	- 625,081.70	- 2,096,729.94	- 3,469,877.49	- 2,459,933.18
Yugoslavia	- 5,427.25	- 1,153.82	- 8,468.06	- 30.72	- 873.76	- 6,819.32	- 9,455.16	- 49.32	- -	- 8.33	- 54.91	- 3,651,331.50	- 561,627.87
U.S.A.	- 2,928,026.67	- 2,763,521.46	- 1,176,135.92	- 1,840,367.46	- 2,883,621.12	- 5,719,464.51	- 2,452,925.40	- 6,298,496.38	- 5,026,845.96	- 10,907,897.53	- 11,526,989.74	- 45,939.89	- 0.26
China, P.Rep.	- 3,259,872.06	- 3,840,956.80	- 6,968,076.80	- 9,278,787.21	- 10,962,907.89	- 16,260,576.42	- 16,179,059.20	- 26,121,896.74	- 40,113,045.09	- 65,055,315.19	- 119,194,344.43	- 23,407,322.41	- 18,576,846.83
Japan	- 497,591.98	- 604,986.74	- 2,147,934.29	- 2,205,940.40	- 3,150,049.47	- 5,108,481.62	- 6,408,372.10	- 7,118,045.15	- 6,651,011.06	- 10,116,101.13	- 11,278,497.81	- 110,820,335.54	- 109,821,235.92
Saudi Arabia	- 4,910,121.48	- 6,804,352.22	- 6,183,591.34	- 7,319,529.38	- 11,610,104.68	- 12,240,720.34	- 9,402,950.19	- 23,113,054.98	- 17,705,030.25	- 17,713,067.00	- 12,678,649.53	- 13,579,963.40	- 13,311,707.06
Rest of the World	- 7,575,429.42	- 10,195,599.36	- 10,813,980.41	- 17,687,332.55	- 29,785,364.95	- 33,716,166.87	- 40,773,912.16	- 64,298,697.82	- 60,416,697.69	- 70,086,007.68	- 86,982,151.66	- 4,322,157.28	- 6,328,405.58
Overall Trade Balance	- 24,103,116.61	- 31,184,973.91	- 34,668,822.80	- 49,515,371.38	- 69,459,272.82	- 82,840,966.47	- 85,167,796.83	- 137,092,371.41	- 140,747,458.32	- 199,594,358.71	- 270,933,851.78	- 107,856,924.66	- 113,119,536.21

Sources: Ethiopian Customs Authority

Annex 17: Components of Broad Money

(In Millions of Birr)

End of Period	Currency outside Banks	Net Demand Deposit	Money Supply	Quasi-Money	Broad Money
	1	2	3=1+2	4	5=3+4
1993/94	5,158.9	3,214.3	8,373.2	3,225.5	11,598.7
1994/95	5,833.8	4,088.6	9,922.4	4,486.0	14,408.4
1995/96	5,656.9	4,260.5	9,917.4	5,737.5	15,654.9
1996/97	5,176.3	4,847.7	10,024.0	6,524.8	16,548.8
1997/98	4,716.8	6,377.2	11,094.0	7,549.3	18,643.3
1998/99	5,196.4	6,182.5	11,378.9	8,020.5	19,399.4
1999/00	5,914.3	7,136.0	13,050.3	9,127.5	22,177.8
2000/01	5,911.8	7,834.0	13,745.8	10,770.4	24,516.2
2001/02	5,461.9	8,690.6	14,152.5	12,139.5	26,292.1
2002/03	6,582.0	8,834.8	15,416.8	13,643.4	29,060.2
2003/04	7,843.9	10,192.1	18,036.0	15,590.0	33,626.0
2004/05	10,026.0	11,265.1	21,291.1	18,920.7	40,211.7
2005/06	11,422.9	12,389.0	23,811.9	22,565.5	46,377.4
2006/07	13,708.4	15,909.3	29,617.7	27,034.2	56,651.9
2007/08	17,654.1	17,696.3	35,350.4	32,831.8	68,182.1
2008/09	19,715.0	22,397.6	42,112.7	40,397.1	82,509.8
2009/10	24,206.8	28,227.8	52,434.6	51,997.8	104,432.4
2010/11	32,574.9	43,596.1	76,171.0	69,206.0	145,377.0
2011/12	38,537.1	56,312.7	94,849.9	94,548.9	189,398.8
2012/13	45,671.0	69,074.7	114,745.7	120,567.9	235,313.6
2013/14	53,161.4	80,887.8	134,063.8	163,682.8	297,746.6
2014/15	60,460.9	94,245.4	154,706.3	216,622.6	371,328.9
2015/16	66,686.2	111,923.5	178,609.7	266,656.6	445,266.3
2016/17	73,917.7	142,851.9	216,769.6	356,614.4	573,384.1

Source: National Bank of Ethiopia

Annex 18: Domestic Credit by Sectors

(In Millions of Birr)

End of Period	Gross Grand Total	Claims on Central Gov't			Claims on Non-Central Gov't				Priority sec. loan to DBE
		Total	National Bank	Comm. Banks	Total	Loans & Advances	Bills Disc.	Investments	
	1=2+5	2=3+4	3	4	5=6to9	6*	7	8	
1993/94	14,573.3	11,400.2	8,783.1	2,617.1	3,173.1	3,168.0	-	5.1	-
1994/95	16,840.8	11,324.0	8,703.1	2,620.9	5,516.8	5,512.7	-	4.1	-
1995/96	19,384.0	11,575.7	8,725.4	2,850.3	7,808.3	7,802.9	-	5.4	-
1996/97	19,803.4	10,975.8	8,838.9	2,136.9	8,827.6	8,822.5	-	5.1	-
1997/98	22,050.8	12,032.4	9,819.3	2,213.1	10,018.4	10,015.4	-	3.0	-
1998/99	23,942.7	13,053.8	10,562.2	2,491.6	10,888.9	10,883.2	-	5.7	-
1999/00	31,283.7	19,423.4	16,533.1	2,890.3	11,860.3	11,854.6	-	5.7	-
2000/01	34,035.1	21,357.4	14,342.5	7,014.9	12,677.7	12,670.0	-	7.7	-
2001/02	28,099.0	15,985.1	8,986.7	6,998.4	12,113.9	12,084.8	-	29.0	-
2002/03	28,689.4	17,229.8	9,387.6	7,842.2	11,459.7	11,419.5	-	40.2	-
2003/04	31,653.0	19,199.2	9,389.2	9,809.9	12,453.8	12,247.8	-	206.0	-
2004/05	40,873.5	21,673.8	19,540.0	2,133.9	19,199.7	15,929.6	-	3,270.1	-
2005/06	49,295.9	25,266.4	19,095.7	6,170.6	24,029.6	19,431.1	-	4,598.4	-
2006/07	61,844.2	30,337.6	24,855.6	5,482.1	31,506.6	23,493.8	-	8,012.8	-
2007/08	79,969.2	33,075.7	35,405.8	(2,330.1)	46,893.5	33,600.6	-	13,292.9	-
2008/09	89,203.0	32,786.5	37,827.2	(5,040.7)	56,416.5	38,802.0	-	17,614.5	-
2009/10	104,413.5	33,013.1	39,340.3	(6,327.2)	71,400.4	47,603.6	-	23,796.9	-
2010/11	135,553.9	28,651.7	45,323.7	(16,672.1)	106,902.2	61,871.3	-	38,780.9	6,250.0
2011/12	189,080.8	21,557.4	45,344.1	(23,786.7)	167,523.4	94,617.0	-	60,404.4	12,502.0
2012/13	233,404.3	21,965.5	55,377.3	(33,411.8)	211,438.8	114,384.6	-	80,547.2	16,507.0
2013/14	299,727.6	26,630.8	64,211.9	(37,581.2)	273,096.8	141,975.8	-	110,864.0	20,257.0
2014/15	393,421.7	30,735.3	77,076.8	(46,341.6)	362,686.5	185,501.9	-	153,827.6	23,357.0
2015/16	490,230.4	47,548.4	95,038.1	(47,489.7)	442,682.0	226,849.2	-	190,225.8	25,607.0
2016/17	631,092.7	85,441.8	120,891.0	(35,449.2)	545,650.9	283,835.2	-	234,589.7	27,226.0

* Includes Claims on Other Financial Institutions

Source: National Bank of Ethiopia

Annex 19: GOLD & Foreign Exchange Holdings of the National Bank of Ethiopia and Commercial Banks

(in millions of Birr)

End of Fiscal Year	Gross Gold and Foreign Exchange Holdings						Foreign Liabilities			Net Gold & Foreign Exchange		
	Gross Total	National Bank of Ethiopia		International Reserves		CBs' Foreign Exchange	Total Liab.	Comm. Banks	NBE	Total	NBE	Comm. Banks
		NBE Total	Gold	Foreign Exchange	Reserve Tranche							
	1=2+6	2=3to5	3	4	5	6	7=8+9	8	9	10=11+12	11=2-9	12=6-8
1993/94	5,286.9	3,193.4	64.5	3,071.7	57.2	2,093.5	1,519.5	469.2	1,050.3	3,767.4	2,143.1	1,624.3
1994/95	7,399.6	3,895.6	71.1	3,755.9	68.6	3,504.0	1,690.3	799.6	890.7	5,709.3	3,004.9	2,704.4
1995/96	8,107.6	5,718.2	23.1	5,630.7	64.4	2,389.4	1,871.8	1,055.0	816.8	6,235.8	4,901.4	1,334.4
1996/97	8,237.9	3,968.7	2.5	3,899.2	67.0	4,269.2	2,612.3	1,514.1	1,098.2	5,625.6	2,870.5	2,755.1
1997/98	8,843.6	3,105.7	2.5	3,036.8	66.4	5,737.9	3,012.6	2,072.5	940.1	5,831.0	2,165.6	3,665.4
1998/99	8,839.9	3,588.8	2.8	3,508.9	77.1	5,251.1	2,752.1	1,685.1	1,067.0	6,087.8	2,521.8	3,566.0
1999/00	7,814.5	2,921.7	2.8	2,840.5	78.4	4,892.8	3,043.9	2,089.5	954.4	4,770.6	1,967.3	2,803.3
2000/01	7,829.5	2,907.8	2.9	2,829.6	75.3	4,921.7	3,029.5	1,815.4	1,214.1	4,800.0	1,693.7	3,106.3
2001/02	11,470.7	5,743.6	2.9	5,660.0	80.7	5,727.1	3,648.3	1,703.3	1,945.0	7,822.4	3,798.6	4,023.8
2002/03	14,427.2	7,988.2	2.9	7,899.3	86.0	6,439.0	3,378.1	1,674.7	1,703.4	11,049.1	6,284.8	4,764.3
2003/04	17,449.8	11,307.3	2.5	11,213.3	91.6	6,142.5	4,452.0	1,889.5	2,562.4	12,997.8	8,744.9	4,253.0
2004/05	19,963.5	13,704.9	57.0	13,556.5	91.3	6,258.6	6,095.5	1,979.8	4,115.7	13,868.0	9,589.2	4,278.8
2005/06	16,759.0	10,071.7	89.2	9,889.6	92.8	6,687.3	4,649.5	1,735.8	2,913.6	12,109.6	7,158.0	4,951.5
2006/07	19,514.9	11,977.3	429.3	11,448.5	99.5	7,537.7	6,174.6	1,986.3	4,188.3	13,340.4	7,789.0	5,551.4
2007/08	16,735.5	8,708.7	5.5	8,589.2	114.0	8,026.8	5,069.9	2,301.9	2,768.0	11,665.6	5,940.7	5,725.0
2008/09	26,434.3	17,214.6	18.2	17,069.0	127.5	9,219.7	8,457.5	3,076.5	5,380.9	17,976.8	11,833.7	6,143.1
2009/10	42,350.1	27,289.3	443.3	26,700.3	145.7	15,060.8	15,160.3	3,254.3	11,906.0	27,189.8	15,383.3	11,806.5
2010/11	79,945.5	51,551.4	1,395.2	49,960.5	195.7	28,394.2	24,410.9	5,715.5	18,695.4	55,534.7	32,856.0	22,678.7
2011/12	64,119.0	40,101.4	2,038.1	37,868.1	195.3	24,017.6	26,738.5	5,484.2	21,254.3	37,380.5	18,847.1	18,533.4
2012/13	72,658.1	44,140.0	2,253.2	41,685.1	201.8	28,518.1	27,009.6	7,515.2	19,494.4	45,648.5	24,645.6	21,002.9
2013/14	77,878.0	50,624.5	1,217.6	49,188.5	218.4	27,253.5	31,905.7	7,995.1	23,910.6	45,972.3	26,713.9	19,258.4
2014/15	82,741.8	66,817.7	79.3	66,423.1	315.3	15,924.1	45,170.9	8,326.6	36,844.3	37,570.9	29,973.4	7,597.6
2015/16	95,055.0	74,156.7	1,113.9	72,711.3	331.5	20,898.3	73,530.8	9,880.5	63,650.3	21,524.2	10,506.4	11,017.8
2016/17	98,750.9	73,874.3	741.3	72,783.6	349.4	24,876.5	60,716.1	10,818.8	49,897.3	38,034.8	23,977.0	14,057.8

Source: National Bank of Ethiopia (NBE)
CB: Commercial Bank

Annex 20: Treasury Bills Auction Results

(in millions of Birr)

Period	Amount Offered	Number of Bidders			Amount Demanded in millions of Birr			Amount Sold in millions of Birr			Annual Weighted Yield
		Bank	Non-bank	Total	Bank	Non-bank	Total	Bank	Non-bank	Total	
1994/95	1580.00	14.00	24.00	38.00	1636.00	648.50	2284.50	797.40	598.10	1395.50	4.25
1995/96	4526.00	22.00	60.00	82.00	4552.50	2117.40	6669.90	2623.40	1902.60	4526.00	4.83
1996/97	8519.00	38.00	96.00	134.00	2460.70	4278.90	6739.60	1456.30	3233.85	4690.15	3.89
1997/98	5086.00	98.00	116.00	214.00	2386.70	3705.25	6091.95	1521.60	3033.85	4555.45	3.71
1998/99	13435.50	88.00	193.00	282.00	6231.25	6986.23	13217.48	5261.15	6333.04	11594.19	3.65
1999/00	16147.00	110.00	162.00	272.00	10772.30	7550.50	18322.80	7954.40	5356.76	13311.15	3.26
2000/01	12100.00	133.00	208.00	346.00	10361.00	7844.03	18205.03	5087.66	4235.28	9322.94	2.83
2001/02	16625.00	152.00	166.00	326.00	18632.60	6216.03	26089.11	12176.37	3996.83	16453.19	1.98
2002/03	29818.00	174.00	122.00	296.00	33488.00	5341.85	38829.85	26987.56	2830.45	29818.00	1.31
2003/04	51645.00	152.00	120.00	272.00	56481.00	4960.00	61441.00	47921.78	3710.22	51632.00	1.02
2004/05	41262.50	175.00	94.00	269.00	49658.50	7237.70	56896.20	37783.92	3281.08	41065.00	0.24
2005/06	47793.50	142.00	45.00	187.00	56687.50	3916.00	60603.50	44465.60	3327.90	47793.50	0.04
2006/07	69487.00	99.00	68.00	167.00	71259.00	7663.00	78922.00	58599.60	6715.40	65315.00	0.49
2007/08	48889.00	92.00	88.00	180.00	46761.00	13127.51	59888.51	35613.00	12103.51	47716.51	0.67
2008/09	28471.91	83.00	178.00	261.00	21974.50	24792.70	46767.20	2672.00	25167.80	27839.80	0.52
2009/10	55203.32	82.00	198.00	280.00	23386.88	27871.23	51258.11	13902.00	27834.49	41736.49	0.65
2010/11	83390.67	65.00	155.00	220.00	23715.28	32044.75	55760.03	20271.28	32044.75	52316.03	1.31
2011/12	96511.88	202.00	204.00	406.00	26712.67	50482.11	77194.78	24212.67	50482.14	74694.81	1.94
2012/13	107484.50	394.00	210.00	604.00	51493.50	62185.69	109184.50	51493.50	62185.69	109184.50	2.20
2013/14	88074.94	226.00	240.00	466.00	31226.00	81608.55	112834.55	16989.00	76933.54	94233.34	1.50
2014/15	100739.44	0.00	248.00	248.00	0.00	136536.77	136536.77	0.00	110593.34	110593.34	1.34
2015/16	145877.44	0.00	217.00	217.00	0.00	161575.24	161575.24	0.00	199199.98	199199.98	1.32
2016/17	204543.24	0.00	200.00	200.00	0.00	225321.24	225321.24	0.00	225321.24	225321.24	1.30

Annex 21: Employment Created by Domestic & Foreign Investment Projects Which Have Commenced Operation, by Sector

Sector	2002(2009/10)		2003(2010/11)		2004(2011/12)		2005(2012/13)		2006(2013/14)		2007(2014/15)		2008(2015/16)		2009(2016/17)	
	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp	Perm. Empl.	Temp. Emp
Agriculture, hunting and forestry	1,186	16029	143	2,260	89	510	0	0	156	3,432	1,265	6,458	290	2,834	6,082	859
Construction	270	2972	26	50	105	50	24	10	441	1,148	508	1,154	1,073	2,412	3,346	5,232
Education	123	63	10	5			26	6	189	12	9	8	49	13	89	0
Electricity, gas, steam and water supply																
Fishing																
Health and social work	24	552			20	8	31	5	2	5	79	2			20	5
Hotels and restaurants	37	304	15				45	10	181	150	100	55	400	80	23	35
Manufacturing	584	1166	309	146	1,193	527	1357	704	2642	872	7,586	1,189	7,007	3,753	6,016	3,143
Mining and quarrying			40	30					10	30			85	203	74	299
Other community, social and personal service activities	40	15					128	340	21	268	13	3	25	26	37	8
Real estate, renting and business activities	180	706	23	121	643	610	241	134	276	496	1,649	1,596	3,761	3,372	4,989	187
Transport, Storage and Communication	48	42	42	69	54	34	9	12	13	2	18	40	34	17	28	7
Wholesale, retail trade & repair service	43	40	17	103	5	7			5	10						
Others*															8	
Grand Total	2,535	21,889	625	2,784	2,109	1,746	1,861	1,221	3,936	6,425	11,227	10,505	12,724	12,710	20,712	9,775

Annex 22: Number and Investment Capital of Domestic & Foreign Investment Projects Which Have Commenced Operation by Sector

[in millions of Birr]

Sector	2000(2007/08)		2001(2008/2009)		2002(2009/10)		2003(2010/11)		2004(2011/12)		2005(2012/13)		2006(2013/14)		2007(2014/15)		2008(2015/16)		2008(2016/17)	
	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital
Agriculture, hunting and forestry	19	215	57	636	100	505,374	20	35	6	16			13	70.1	107	521.7	35	66.0	14	119.6
Construction	15	282	14	437	12	802,947	1	1	4	244	3	22	58	2,811.2	50	132.8	75	506.7	199	1,081.9
Education	13	37	7	20	3	18,518	1	1,700			2	5	2	25.4	1	79.8	3	7.1	4	6.1
Electricity, gas, steam and water supply																				
Fishing																				
Health and social work	3	19	11	47	3	4,000	1	2	2	7	2	4	1	0.2	1	4.0			3	13.7
Hotels and restaurants	18	62	12	22	6	20,781	6	153			2	3	6	44.1	5	105.8	3	10.8	2	9.5
Manufacturing	55	1,005	66	577	30	583,621			18	146	24	1,371	38	516.8	39	2,707.2	85	2,539.5	149	1,888.0
Mining and quarrying	1	2					1	1					1	1.1			6	12.1	8	18.7
Other community, social and personal service activities	2	20			1	3,290					2	14	3	9.1	4	14.5	3	4.9	4	5.2
Real estate, renting and business activities	54	193	39	97	18	67,844	7	16	32	223	17	89	36	2,135.3	197	563	637	3,551	81	5,737.4
Transport, Storage and Communication	2	3	15	32	7	11,546	7	15	5	11	3	5	4	12.1	3	5.8	5	10.7	3	14.7
Wholesale, retail trade & repair service	7	65	13	30	2	15,650	4	7	1	0			1	10.9						
Others*																			1	1.9
Grand Total	189.0	1903.3	234.0	1,897.2	182.0	2,032,971.0	48.0	231.9	68.0	647.7	55.0	1511.7	163.0	5636.2	407.0	4135.0	852.0	6708.6	468.0	8896.9

Annex 23: Number and Capital of Domestic & Foreign Investment Projects Which Have Commenced Operation, by Region

[in millions of Birr]

Sector	1998(2005/06)	1999(2006/07)		2000(2007/08)		2001(2008/09)		2002(2009/10)		2003(2010/11)		2004(2011/12)		2005(2012/13)		2006(2013/14)		2007(2014/15)		2008(2015/16)		2009(2016/17)	
	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital		
Addis Ababa	1,676	218	1,275	110	730	110	1,042	32	561	24	190	52	498	37	201	101	5,262.0	31	2,381.5	755	6,147.6	376	8,307.5
Afar		2	2			2	160			2	11	7	56	1	1	12	21.1	15	97.5	6	16.0		
Amhara	192	61	170	27	280	51	200	19	74							31	112.7	4	10.0	7	13.6	42	104.5
B.Gunze	2	6	6					1	13														
Dire Dawa	50			1	10							1	6										
Gambella	5							1	750											11	68.8		
Harari				1	3																		
Multiregional	177	17	219	20	193	24	1,023	5	59										3.0	26.5			
Oromia	418	26	953	16	549	16	379	6	74	2	10	6	85	16	1,308	7	139.3	304	1,398.4	26	345.9	19	336
SNNPR	102	3	5	6	84	3	51	6	27							1	10.9	1	14	2	5	10	83.5
Sonali				4	15																		
Tigray	162	34	176	4	40	39	113	112	475	20	20	2	3	1	1	11	90.2	49	207.3	45	111.5	21	65.9
Grand Total	2,784	367	2,904	189	1,903	245	2,968	182	2,033	48	232	68	648	55	1,512	163	5,636.2	407	4,135	852	6,709	468	8,896.9



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