

Ethiopia: Macroeconomic and Social Indicators

Indicators		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		(2011)	(2012)	(2013)	(2014)	(2015)	(2016)	(2017)
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
	Arable Land (% of total area)	14.2	14.32	14.41	16.2	16.2	17.3	NA
	Agricultural Irrigated Land (% of totalAgricultural area)	4.0	4.7	5%	6%	6.2%	6.2%	NA
	Population Density (person per sq.km)*	109	112	115	123	127	132	135
2. Social Indicators								
	Population total, in millions (Mid-Year population)	97.6	99.7	101.9	104.1	105.7	108.4	110.6
	(o/w Urban Poulation, in %)	22.8	22.8	22.8	22.8	28.2	28.2	28.2
	Working Age Population (In Millions)							
	<i>Urban</i>	13.13	14.03	15.01	16.04	31.1	31.1	31.1
	<i>Rural</i>	43.06	44.28	45.8	46.6	40.4	40.4	40.4
	<i>Total</i>	56.2	58.3	60.8	62.6	71.5	71.5	71.5
	Age Dependency Ratio	69	69	69	69	62	73.3	76.6
	Life Expectancy at Birth (Male - Female)	62.4-66.6	62.4-66.7	65.5	65.5	65.5	69	64.8
	Crude Birth Rate	27:1000	27:1000	27:1000	27:1000	27:1000	31.8:1000	32.7:1000
	Crude Death Rate	6	6	6:03	6:00	6:30	6.5	7.0
	Natural Rate of Population Increase (In %)	2	2	2	2	0	2.7	2.6
	Total Fertility Rate	3.5chil:W	3.5chil:W	4.6chil:W	4.6chil:W	4.1Chil:W	4.6Chil:W	4.4Chil:W
	People : Hospital Beds	1,312	2750	2720	2900	3225	3650	6045
	People : Physician ¹	10,521:1	9977:1	8448:1	7576:1	5737:1	5843:1	5029:1
	People : Nurse ¹	1620:1	1705	1473	1415	983	999	1062
	Infant Mortality Rate	53.3:1000	43.3:1000	47:1000	47:1000	34:1000	47:1000	36:1000
	Access to Safe Water (In %)							
	<i>Country Level</i>	76	79.3	58.5	58.76	67.1	69.52	72.65
	<i>Urban Population</i>	66	66.5	62.95	71.97	75.7	79.12	84.31
	<i>Rural Population</i>	79	82.7	57.26	59.76	64.5	66.62	69.03
	Student-Teacher Ratio							
	<i>Primary (1-8)</i>	39	39	34.8	34.6	36.4	35.5	37.8
	<i>Secondary (9-12)</i>	22.5	24	27.4	27.7	26.6	22.6	21
	<i>Technical & Vocational</i>	26:1	13.3:1	11:1	11:1	18:1	17:1	17:1
	Student-School Ratio							
	<i>Primary (1-8)</i>	628	528	512.7	526.6	517.6	513.3	524
	<i>Secondary (9-12)</i>	568	940	1017	1063	1009.6	864.9	700
	<i>Technical & Vocational</i>	246.8:1	246.6:1	177	158	152	172.8	170.2

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		(2011)	(2012)	(2013)	(2014)	(2015)	(2016)	(2017)
3. Macroeconomic Indicators								
3.1. Real sector Development^a								
	GDP at Current Market Price (In Mn. Birr)	2,696,223.0	3,374,746.94	4,341,024.22	6,157,015.23	8,723,116.78	11,784,561.45	15,094,419.03
	Nominal GDP Growth Rate (In %)	22.42	25.17	28.63	41.83	41.68	35.10	28.09
	Average Exchange Rate (Birr per USD)	28.10	31.34	39.02	48.57	53.28	55.96	119.31
	GDP at Current Market Price (In Mn. USD)	95,951.0	107,672.6	111,261.9	126,765.8	163,712.9	210,580.3	126,519.2
	Nominal GDP per Capita (In USD)	983.1	1,080.0	1,091.7	1,217.9	1,548.7	1,942.4	1,144.2
	Real GDP per Capita (In Birr)	20,312.7	21,155.3	21,860.6	22,547.1	23,664.4	24,830.2	26,723.8
	Real GDP per Capita Growth Rate (In %)	5.8	4.1	3.3	3.1	5.0	4.9	7.6
	GDP Deflator (% change)	13.2	18.3	21.8	34.7	32.9	25.5	16.7
	Real GDP at constant basic price (In Mn. Birr)	1,874,689.30	1,989,587.75	2,114,238.31	2,248,662.83	2,409,921.42	2,603,952.94	2,842,252.35
	Real GDP at constant market price (In Mn. Birr)	1,982,516.72	2,109,180.10	2,227,894.72	2,346,748.00	2,501,498.34	2,691,931.77	2,954,974.37
	Real GDP Growth Rate (In %)	9.0	6.1	6.3	6.4	7.2	8.1	9.2
	Agriculture & Allied Activities(In Billion Birr)	623.80	650.3	686.4	728.4	774.0	827.9	888.6
	Industrial Sector (In Billion Birr)	526.20	576.91	618.82	649.24	694.24	758.39	857.07
	Service Sector (In Billion Birr)	745.72	786.87	836.20	899.83	971.28	1,046.08	1,124.78
	<i>Agriculture & Allied Activities (% of GDP)</i>	33.27	32.69	32.47	32.39	32.12	31.79	31.26
	<i>Industrial Sector (% of GDP)</i>	28.07	29.00	29.27	28.87	28.81	29.12	30.15
	<i>Service Sector (% of GDP)</i>	39.78	39.55	39.55	40.02	40.30	40.17	39.57
	Private Consumption Expenditure (Million Birr)	1,848,070.00	2,363,783.14	3,135,110.00	4,765,752.51	6,884,213.03	9,454,839.78	12,216,350.74
	Government Consumption Expenditure (Million Birr)	247,362.00	308,096.68	383,565.00	453,263.13	551,106.62	650,000.00	881,424.02
	Gross Capital Formation (Investment) (Million Birr)	948,866.00	1,031,962.81	1,216,585.00	1,560,324.77	1,933,863.00	2,424,729.18	3,036,992.91
	Exports (Million Birr)	213,437.00	240,524.96	331,294.00	507,581.90	575,369.66	652,778.77	2,005,105.58
	Imports (Million Birr)	561,512.00	569,620.65	725,530.00	1,129,907.07	1,221,435.52	1,397,786.28	3,045,454.22
	Resource Balance (Million Birr)	(348,075.00)	(329,095.69)	(394,236.00)	(622,325.18)	(646,065.86)	(745,007.51)	(1,040,348.64)
	<i>Gross Private Consumption (% of GDP)</i>	68.5	70.0	72.2	77.4	78.9	80.2	80.9
	<i>Gross Government Consumption (% of GDP)</i>	9.2	9.1	8.8	7.4	6.3	5.5	5.8
	<i>Gross Domestic Fixed Investment (% of GDP)</i>	35.2	30.6	28.0	25.3	22.2	20.6	20.1
	Resource Balance (% of GDP)	(12.9)	(9.8)	(9.1)	(10.1)	(7.4)	(6.3)	(6.9)
3.2. Monetary Indicators								
	Narrow Money Supply (M1) (In Mn. Birr)	308,937.13	360,585.50	437,391.97	588,015.82	706,142.20	822,498.60	1,128,963.90
	Broad Money Supply (M2) (In Mn. Birr)	886,752.53	1,037,646.33	1,348,266.15	1,715,310.03	2,170,848.37	2,477,891.90	3,349,159.60
	Net Foreign Assets (In Mn. Birr)	14,506.19	(8,321.31)	(812.32)	(111,427.54)	(160,097.68)	(245,298.39)	(211,457.30)
	Reserve Requirement (CBs)	44,861.74	51,952.51	67,732.40	119,022.60	147,931.40	149,916.90	243,611.94
	Interest Rate (In %)							
	<i>Minimum Deposit Rate</i>	7.00	7	7	7	7	7	7
	<i>Average lending rate</i>	13.50	14.25	14.25	14.25	14.25	14.75	15.75
Total Net Domestic Credit (in mn. Birr)		963,699.9	1,176,926.4	1,481,844.4	1,930,621.8	2,444,435.5	2,797,752.1	3,448,089.4
	<i>Government</i>	109,799.21	137,082.91	214,275.16	422,864.02	573,675.72	745,541.10	1,586,725.90
	<i>Other Sectors</i>	853,900.70	1,039,843.53	1,267,569.27	1,507,757.78	1,870,759.78	2,052,211.00	1,861,363.50

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		(2011)	(2012)	(2013)	(2014)	(2015)	(2016)	(2017)
3.3. Inflation (CPI growth rate)³								
	Country Level (Annual Average)							
	-General inflation	12.57	19.91	20.20	33.79	32.55	26.57	16.00
	-Food inflation	13.12	23.3	23.2	40.3	31.7	28.1	16.2
	-Non-Food inflation (core inflation)	11.93	15.85	16.45	25.15	33.86	24.29	15.78
	Addis Ababa (Annual Average)							
	-General inflation	14.6	18.8	19.5	29.8	37.3	31.2	19.8
	-Food inflation	15.0	25.9	26.2	36.6	35.5	34.1	19.0
	-Non-Food inflation (core inflation)	14.3	13.9	14.4	24.1	39.0	28.6	20.5
3.4. External Trade(In Mn.USD)								
	Export of goods & services	7,694.91	7,715.75	8,498.94	10,457.69	10,855.84	11,763.57	16,802.86
	Import of goods & services	20,704.78	18,828.34	19,176.97	23,845.01	23,430.01	25,408.63	25,907.00
	<i>Net trade in goods & services</i>	(13,009.87)	(11,112.60)	(10,678.02)	(13,387.32)	(12,574.16)	(13,645.05)	(9,104.14)
	<i>Current account balance including official transfers</i>	(4,947.98)	(4,401.88)	(3,190.73)	(5,145.07)	(4,672.94)	(6,197.54)	(289.34)
	Capital account balance	4,822.42	4,326.48	3,785.84	2,723.65	3,547.26	4,128.31	5,316.58
	Overall balance of payments	(941.64)	(833.40)	298.71	(2,149.84)	(752.05)	(1,347.95)	2,830.03
3.5. Government Finance (In Mn .Birr⁴)								
	Total Revenue (including grants)	344,936.5	394,965.83	478,888.13	566,753.63	717,586.69	873,126.53	1,571,509.58
	Total Revenue (excluding grants)	311,317.4	354,312.80	444,582.64	540,060.53	685,459.13	840,094.82	1,386,477.23
	<i>o/w Tax-Revenue</i>	268,457.4	311,476.46	388,763.46	477,770.34	593,232.07	716,172.16	1,171,780.95
	<i>Tax-Revenue as % of GDP</i>	9.96	9.23	8.96	7.76	6.80	6.08	7.76
	Total Expenditures	413,105.7	488,243.19	599,006.65	779,099.03	938,771.57	1,120,077.28	1,818,329.21
	<i>Current Expenditures</i>	238,156.6	280,667.04	363,596.91	517,043.37	582,854.59	652,619.66	1,069,320.73
	<i>Capital Expenditures</i>	174,949.1	207,576.15	235,409.74	262,055.65	355,916.99	467,457.62	749,008.47
	<i>Equity Contribution (Sinking Fund)</i>	-	-	-	-	-	-	-
	<i>Special Programs</i>	-	-	-	-	-	-	-
	<i>Total Expenditures as % of GDP</i>	15.3	14.5	13.8	12.7	10.8	9.5	12.0
	Current Surplus/Deficit(Including Grants)	106,779.9	114,298.78	115,291.22	49,710.26	134,732.10	220,506.87	502,188.85
	Overall Budget Deficit (including grants)	(68,169.2)	(93,277.36)	(120,118.53)	(212,345.39)	(221,184.89)	(246,950.75)	(246,819.63)
	<i>Deficit as % of GDP</i>	(2.53)	(2.76)	(2.77)	(3.45)	(2.54)	(2.10)	(1.64)
	Overall Budget Deficit (excluding grants)	(101,788.3)	(133,930.40)	(154,424.01)	(239,038.50)	(253,312.45)	(279,982.46)	(431,851.98)
	<i>Deficit as % of GDP</i>	(3.78)	(3.97)	(3.56)	(3.88)	(2.90)	(2.38)	(2.86)
3.6. Exchange Rate (Birr/ USD)								
	Inter-Bank Forex Market Rate ⁵		(2.76)	(2.77)	(3.45)	(2.54)	(2.10)	(1.64)
	<i>*Average Weighted rate</i>	28.0543	31.34	39.02	48.57	53.28	55.96	119.31
	<i>* Weighted Rate(End period)</i>	28.9109	34.98	43.69	51.99	54.59	57.33	135.37

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		(2011)	(2012)	(2013)	(2014)	(2015)	(2016)	(2017)
3.7. Treasury Bill Market (In Mn. Birr)								
	T-Bills Demanded (Total)	422,633.54	242,155.1	284,783.6	599,478.6	595,231.3	812,892.1	390,608.3
	T-Bills Sold	422,633.54	242,155.1	238,799.6	582,268.6	576,081.3	797,797.1	384,390.0
	Average Weighted Yield (in %)	1.7	4.8	8.0	9.5	9.7	9.7	14.5
	T-Bills Outstanding by holder	138,054.36	23,724.0	116,560.0	317,169.6	341,869.5	447,802.9	272,242.2
	Banks	650.00	5,604.0	52,040.0	195,432.3	146,568.1	162,259.3	159,461.5
	Non-Banks	137,404.36	18,120.0	64,520.0	121,737.3	195,301.5	285,543.6	112,780.7
3.8. Inter Bank Money Market Rate⁵								
3.9. Financial Institutions								
	Number of Commercial Banks	17.00	17.0	18.0	30.0	31.0	32.0	32.0
	(o/w Private banks)	16.00	16.0	17.0	28.0	29.0	30.0	30.0
	Number of Bank Branches	5,564.00	6,511.0	7,344.0	8,944.0	11,281.0	12,278.0	12,590.0
	Population : Bank Branch	17,732.20	15,702.0	13,921.0	11,516.0	9,514.0	8,918.0	8,868.0
	Number of Insurance Companies	17.00	18.0	18.0	18.0	18.0	18.0	18.0
	(o/w Private Insurance Companies)	16.00	17.0	17.0	17.0	17.0	17.0	17.0
	Number of Insurance Branches	568.00	605.0	635.0	690.0	741.0	799.0	839.0
	Population : Insurance Branch	173,848.00	168,983.0	160,629.9	149,272.5	144,846.0	147,771.9	133,078.7
	Number of Development Banks	1	1.0	1.0	1.0	1.0	1.0	1.0
	Number of Development Bank Branches	107	93.0	82.0	83.0	83.0	105.0	104.0
	Number of Micro-financial Institutions	38	39.0	39.0	43.0	47.0	48.0	64.0

Source : Ministries of Agriculture, Finance, Health, and Education, National Bank of Ethiopia, Ethiopian Statistical Services, ... etc

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 2015/16 =100 base year

3. Inflation data is calculated using the new base year (December 2016=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 trasactions introduced beginning from october 24, 200

*Mid year population was obtained from MoF

Governor's Note

1. In response to evolving domestic and global dynamics, the National Bank of Ethiopia pursued a comprehensive strategy to modernize its monetary policy framework, regulatory standards and strengthen internal governance in the review period. The new strategic plan emphasized the Bank's mandate to ensure price, and financial stability, while supporting growth.
2. In 2024/25, the National Bank of Ethiopia (NBE) laid a strong foundation for transforming the country's monetary and financial system through comprehensive monetary policy framework, foreign exchange regime/management, and financial sector reforms. Empowered by the new NBE establishment Proclamation No. 1359/2025, the Bank prioritized its mandate. A key milestone was the shift from administrative controls to a market-based monetary policy framework anchored in indirect instruments. This structural shift has enhanced the effectiveness of the monetary policy transmission mechanism, strengthened liquidity forecasting and management operations, and reinforced the anchoring of inflation expectations thereby consolidating the foundations for price stability.
3. Complementing these efforts, the Bank liberalized the exchange rate regime to unlock the economy's foreign exchange generating potential, correct external imbalances, enhance international competitiveness, and restore debt sustainability. Parallel reforms in the financial sector have fostered greater competition, expanded financial inclusion, and accelerated digital transformation, positioning the sector to better mobilize savings and support productive investment.
4. Internally, the National Bank of Ethiopia has undertaken comprehensive institutional strengthening measures. Significant progress has been achieved in upgrading operational systems, enhancing policy communication, deepening transparency and accountability practices, and reinforcing governance frameworks. Together, these reforms have strengthened the Bank's institutional credibility and operational effectiveness, ensuring that it is better equipped to safeguard macroeconomic stability and support sustainable economic growth.
5. The year 2024/25 presented the Ethiopian economy with unprecedented challenges globally despite declining inflation, improvement in foreign exchange generation and international

competitiveness, strong financial sector development and resilience of our economy domestically. Globally, the protracted conflict between Russia and Ukraine, geopolitical tensions in the Middle East, rising international commodity prices, and constrained external financing compounded these pressures.

6. Despite prevailing challenges, the Ethiopian economy maintained strong momentum, recording 9.2 percent growth in 2024/25, up from 8.1 percent in 2023/24 well above the Sub-Saharan Africa average. Expansion was broad-based: industry grew by 13 percent, agriculture by 7.3 percent, and services by 7.5 percent. Although services moderated slightly compared to the previous year, the accelerated performance of industry and steady gains in agriculture signal continued structural transformation and productive capacity expansion.
7. Over the years, sustained high growth has significantly elevated Ethiopia's income level and supported tangible social and economic progress. Rising output has contributed to poverty reduction, improved income distribution, and substantial investment in strategic infrastructure, particularly in power generation and transport connectivity. Domestic demand remained robust, with consumption accounting for 86.7 percent of GDP in 2024/25. While gross capital formation and domestic savings stood at 20.1 percent and 13.2 percent of GDP, respectively. Ongoing reforms are set to enhance investment and savings, thereby strengthening the foundation for sustained and inclusive economic growth.
8. To control inflation and move toward the single-digit target, the National Bank of Ethiopia maintained a tight monetary policy, capping credit and, eliminating direct government advances. These measures were reinforced by fiscal consolidation and targeted sector initiatives, including the July 2024 budget, which limited the deficit relative to GDP at 2 percent. As a result, annual headline inflation fell to 13.9 percent in 2024/25 from 19.9 percent the previous year, due to 11.0 percentage point decline in food, albeit non-food inflation showed a 1.5 percentage point rise.
9. On the fiscal side, the government implemented significant measures to limit expenditure growth and reduce the deficit relative to GDP. Furthermore, it extended revenue mobilization and fiscal consolidation efforts that have led to an increase in tax revenue. Consequently, domestic revenue experienced a 65 percent annual growth in 2024/25, while general government expenditure rose by 62.3 percent. This led to a budget deficit of 1.6 percent of GDP, an improvement from the 2.1 percent deficit recorded in the previous year.

10. In the external sector, the merchandise trade deficit narrowed to USD 10.4 billion from USD 14.9 in a year earlier, as a rise in merchandise export receipts outweighed rise of import bill. Merchandise exports rose by 119.7 percent, same period last year. The increase in export receipts was primarily driven by improvements in the sales of more than eight-fold surge in gold and 86.3 percent rise in coffee. The other export items like flower, fruit and vegetables, electricity, meat & meat products and live animals have contributed some share, while, receipts from oilseeds, pulse, chat, textile products and leather and leather products dwindled due to fall in volume and/or international prices. Conversely, merchandise imports showed slight increase of 0.4 percent due to higher expenditures on capital goods and raw materials; while payments for consumer goods, semi-finished goods, fuel and miscellaneous items declined. The current account deficit, including official transfers significantly narrowed resulted from narrowed merchandise trade deficit and rise in net services, net private transfers and net official transfers. The net capital account also recorded a surplus increase of 28.8 percent compared to the previous year, mainly due to the rise in net official long term capital (105.9 percent) and net foreign direct investment (2.7 percent).
11. Regarding the foreign exchange market, the NBE has officially set market-based/floating exchange rate regime in July 2024. Official rates are now market-based and determined through market forces rather than central bank announcement. Consequently, the weighted average exchange rate of Birr in the inter-bank foreign exchange market stood at Birr 119.3053/USD, depicting a 113.2 percent annual depreciation. The Birr recorded real depreciation following the National Bank of Ethiopia's transition to a market-based foreign exchange regime. In 2024/25, the Birr depreciated by 52.9 percent in real effective terms, reflecting a policy-driven realignment aimed at correcting previous exchange rate misalignments. This adjustment was supported by moderating domestic inflationary pressures and movements in the currencies of Ethiopia's major trading partners, thereby strengthening external competitiveness and improving foreign exchange market functioning.
12. The NBE issued several regulatory and supervisory directives during the fiscal year to maintain the safety and soundness of the financial sector. Accordingly, the sector has remained stable and resilient in terms of key financial soundness indicators. In 2024/25, bank branch expansion at a strong pace, rising to 12,590 from 12,278 a year ago. Their deposit mobilization also surged by 40.7 percent to reach Birr 3.5 trillion. Similarly, their loan

collection grew by 39.3 percent and loan disbursement by 78.3 percent. The sector's non-performing loan ratio remained within the required limit of 5 percent. Additionally, insurance companies, microfinance institutions, and capital goods finance companies expanded their outreach by increasing their networks and products. Consequently, financial intermediation and access to finance, as well as financial inclusion have significantly improved during the review period.

13. Looking ahead, Ethiopia's economy is expected to maintain strong growth in 2025/26 and beyond, supported by the National Bank of Ethiopia's ongoing reforms and a steadily improving macroeconomic environment. While domestic inflationary pressures, localized instability, and global uncertainties including geopolitical tensions and commodity price volatility pose risks, the outlook remains positive.
14. To safeguard stability and sustain momentum, the National Bank of Ethiopia will continue modernizing its monetary policy framework, strengthening financial sector regulation, advancing digital finance, promoting competition, and expanding financial inclusion reinforcing resilience and supporting durable, broad-based growth.
15. In conclusion, I extend my earnest gratitude to the management and staff of the National Bank of Ethiopia for their unwavering commitment, professionalism, and tireless efforts in advancing the Bank's strategic objectives over the review period. Your devotion has been instrumental in strengthening macroeconomic stability and driving reform. I encourage you to advance our mandate with steadfast resolve and disciplined execution, as we work together toward our shared goal of securing lasting stability, wellbeing, and prosperity for Ethiopia in the year ahead and beyond.



Eyob Tekalign (PHD)
Governor

I. THE OVERALL ECONOMIC PERFORMANCE

I.1. Global Economic Environment

According to the World Economic Outlook, October 2025 issue, global growth is projected to reach 3.2 percent in 2025, moderating slightly to 3.1 percent in 2026. Advanced Economies are expected to maintain steady growth at 1.6 percent in both years. In the United States, economic expansion is forecasted at 2.0 percent in 2025, edging up to 2.1 percent in 2026. The Euro area is anticipated to record modest growth of 1.2 percent in 2025 and slight decline to 1.1 percent in 2026. Emerging Market and Developing Economies are projected to expand to 4.2 percent in 2025 and 4.0 percent in 2026. Under the baseline scenario, global headline inflation is expected to decline to 4.2 percent in 2025 and further to 3.7 percent in 2026.

I.2. Sub-Sahara African Developments

Sub-Saharan Africa's growth is projected to reach 4.1 percent in 2025, rising to 4.4 percent in 2026. The region has demonstrated resilience despite facing a range of shocks in recent years. Fuel-exporting economies are likely to encounter challenges amid declining oil prices. Whereas, other commodity exporters, including cocoa, coffee, copper, and gold, are expected to benefit from improving prices. However, tight external borrowing conditions, market volatility, and the deterioration of global trade policies and aid landscape are expected to create headwinds for the region's economies (IMF Regional Economic Outlook, SSA, October 2025).

I.3. Domestic Economic Performance

The Ethiopian economy recorded robust growth of 9.2 percent in 2024/25, driven by industry (41.4 percent), services (32.7 percent), and agriculture (25.5 percent). Despite this strong performance, nominal GDP per capita fell sharply to USD 1,144 in 2024/25 from USD 1,942 in the previous year, depicting a 41.1 percent decline following the exchange rate policy reform.

In 2025/26, the Ethiopian economy is expected to expand by 10.2 percent, exceeding the IMF's projected growth of 7.1 percent (WEO, October 2025).

Table 1.1: Sectoral Contributions to GDP and GDP Growth

(In Billions of Birr)

Items		Year							
		2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Sector	Agriculture	600.8	623.8	650.3	686.4	728.4	774.0	827.9	888.6
	Industry	467.5	526.2	576.9	618.8	649.2	694.2	758.4	857.1
	Services	671.8	747.3	786.9	836.2	899.8	971.3	1,046.1	1,124.8
Total		1,719.5	1,874.7	1,989.6	2,114.2	2,248.7	2,409.9	2,604.0	2,842.3
Less FISIM		19.8	21.0	24.5	27.2	28.8	29.6	28.4	28.2
Real GDP		1,719.5	1,874.7	1,989.6	2,114.2	2,248.7	2,409.9	2,604.0	2,842.3
Growth in Real GDP		7.7	9.0	6.1	6.3	6.4	7.2	8.1	9.2
Per capita GDP (USD) (Nominal)		883	985	1,080	1,092	1,218	1,549	1,942	1,144
Growth in per capita GDP		0.9	11.6	9.6	1.1	11.6	27.1	25.1	-40.9
Mid-year population (in millions)		95.5	97.6	99.7	101.9	104.1	105.7	108.4	110.6
Share in GDP (in %)	Agriculture	34.9	33.3	32.7	32.5	32.4	32.1	31.8	31.3
	Industry	27.0	28.1	29.0	29.3	28.9	28.8	29.1	30.2
	Services	39.2	39.8	39.5	39.6	40.0	40.3	40.2	39.6
Agriculture	Real Growth rate	3.5	3.8	4.3	5.6	6.1	6.3	7.0	7.3
	Contribution to real GDP growth*	1.3	1.3	1.4	1.8	2.0	2.0	2.2	2.3
	Growth contribution in percent	16.4	14.7	22.8	29.0	31.2	28.2	27.8	25.5
Industry	Real Growth rate	12.7	12.6	9.6	7.3	4.9	6.9	9.2	13.0
	Contribution to real GDP growth*	3.3	3.4	2.6	2.1	1.4	2.0	2.7	3.8
	Growth contribution in percent	42.5	37.5	42.4	33.6	22.6	27.9	33.1	41.4
Services	Real Growth rate	8.5	11.0	5.3	6.3	7.6	7.9	7.7	7.5
	Contribution to real GDP growth*	3.3	4.3	2.1	2.4	3.0	3.1	3.1	3.0
	Growth contribution in percent	42.3	48.2	34.0	39.1	46.7	43.8	38.1	32.7

Source: Ministry of Planning and Development (MoPD)

Note: *Sectoral contributions will not add up to overall GDP growth because of FISIM (Financial Intermediary Service Indirect Measured).

I.4. GDP by Sector

I.4.1. Agriculture

In terms of sectoral distribution, agriculture's share in the economy declined slightly to 31.3 percent in 2024/25 from 31.8 percent a year earlier, contributing 25.5 percent to the real GDP growth. The sector's growth was mainly driven by a 7.5 percent expansion in crop production which accounted for 66.8 percent of total agricultural output. Meanwhile, livestock farming and hunting, as well as forestry, contributed 24.6 percent and 7.8 percent of agricultural production, respectively (Table 1.2).

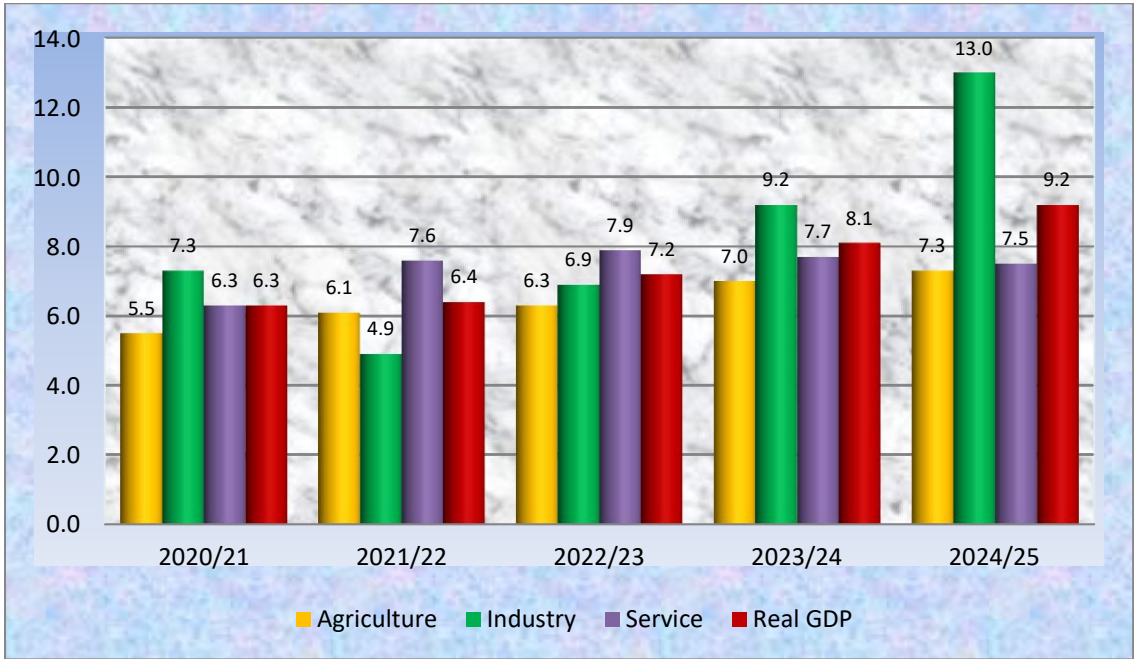
I.4.2. Industry

Industrial activity maintained strong performance in 2024/25, recording an annual growth rate of 13 percent compared to the previous year. The sector contributed 41.4 percent to the overall economic growth during the period. Within the sector, construction remained the dominant component, expanding by 8.8 percent and accounting for approximately 48.9 percent of industrial output growth and 20.6 percent of total economic growth. The manufacturing sector also showed significant improvement, with a growth rate of 10.3 percent relative to the previous year and contributed about 18.4 percent to industrial output growth and 7.6 percent to real GDP growth. Overall, the industry sector's share in the total GDP improved to 30.2 percent in 2024/25 from 29.1 percent in the preceding fiscal year.

I.4.3. Services

The service sector continued to support economic activity in 2024/25, with annual growth rate of 7.5 percent, marginally lower than the 7.7 percent recorded in 2023/24. Despite the slight moderation, the sector remained a key driver of the economy, accounting for 39.6 percent of total output and 32.7 percent of overall GDP growth.

Fig.I.1: GDP Growth by Major Sectors



Source: Ministry of planning and development (MoPD)

Table 1.2: Growth and Percentage Distribution of Major Agricultural, Industrial and Service Sub-sectors

	Sectors	2020/21	2021/22	2022/23	2023/24	2024/25
Growth rate	Crop	5.7	6.9	7.1	7.8	7.5
	Animal Farming and Hunting	5.8	4.6	4.4	5.3	6.5
	Forestry	4.0	4.3	4.0	4.2	4.1
	Fishing	1.7	21.9	38.6	29.6	94.1
Share in Agriculture	Crop	65.1	65.6	66.1	66.7	66.8
	Animal Farming and Hunting	26.0	25.6	25.2	24.8	24.6
	Forestry	8.6	8.5	8.3	8.1	7.8
	Fishing	0.2	0.3	0.4	0.4	0.8
Growth rate	Mining and Quarrying	115.4	6.1	-7.1	18.4	205.4
	Manufacturing	5.1	4.8	7.0	8.4	10.3
	Electricity and Water	9.2	6.0	13.2	18.0	25.6
	Construction	6.6	4.9	7.1	9.0	8.8
Share in Industry	Mining and Quarrying	1.8	1.8	1.6	1.7	4.6
	Manufacturing	23.4	23.4	23.4	23.2	22.6
	Electricity and Water	2.7	2.7	2.9	3.1	3.4
	Construction	72.2	72.2	72.2	72.1	69.4
Growth rate	Wholesale and Retail Trade	6.3	7.9	7.6	7.8	7.6
	Hotels and Restaurants	2.6	8.0	10.3	9.1	8.5
	Transport and Communications	7.0	9.8	12.0	11.4	8.5
	Real Estate, Renting and Business Activities	8.9	9.0	9.1	8.8	9.1
	Public Administration and Defense	4.9	4.5	4.0	4.9	5.9
	Others*	6.2	6.5	6.5	5.3	6.2
Share in Service	Wholesale and Retail Trade	36.3	36.4	36.3	36.3	36.3
	Hotels and Restaurants	6.0	6.1	6.2	6.3	6.3
	Transport and Communications	13.5	13.8	14.3	14.8	14.9
	Real Estate, Renting and Business Activities	11.4	11.5	11.7	11.8	12.0
	Public Administration and Defense	10.7	10.4	10.0	9.8	9.6
	Others*	22.0	21.8	21.5	21.0	20.8

Source: Ministry of Planning and Development (MoPD)

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

I.5. GDP by Expenditure Components

The expenditure components of GDP over the past five years depicted that Ethiopia's economic growth has been primarily driven by private consumption and investment spending, while net exports have continued to make a negative contribution due to persistent trade deficits.

Private consumption remained the dominant component of GDP, accounting for 80.9 percent of total expenditure, slightly higher than 80.2 percent in 2023/24. Investment represented 20.1 percent of GDP during the review period, showing a slight decline compared to the previous year. Public consumption accounted for 5.8 percent of GDP, marking a modest increase from 5.5 percent in 2023/24.

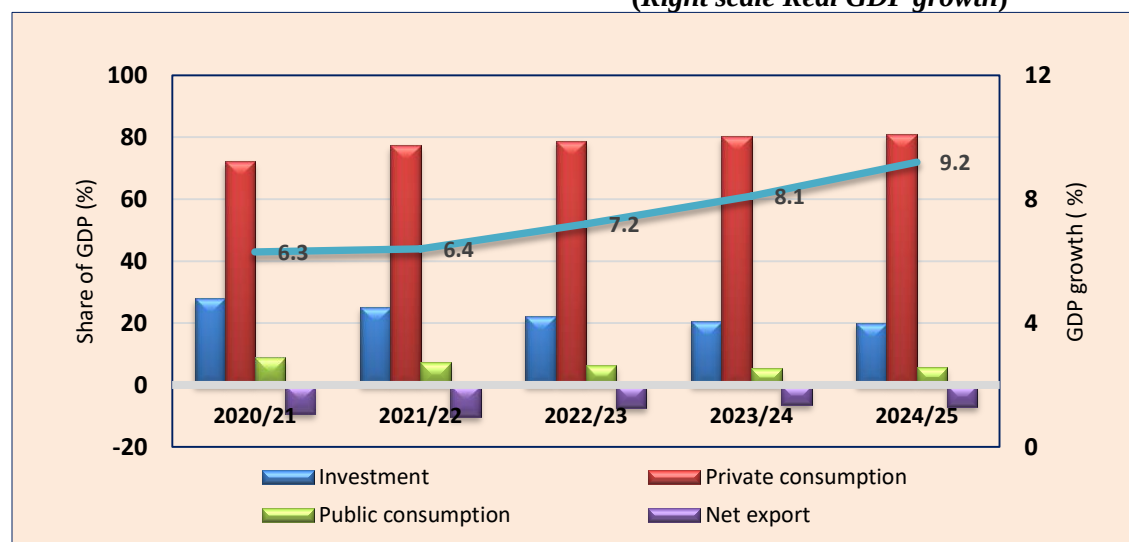
Meanwhile, net exports remained negative at -6.9 percent, indicating continued excess of import demand over export earnings. Nevertheless, the trade deficit narrowed considerably from -10.1 percent in 2021/22, signaling some improvement in the external balance (Table 1.3).

The domestic absorption-to-GDP ratio also registered a marginal decline of 0.6 percentage points compared to the previous fiscal year, standing at 106.9 percent of GDP.

Table: 1.3: 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.					
2012/13	115.2	82.2	10.2	71.9	33.0	(16.1)	12.2	28.2	17.8
2013/14	116.2	79.3	10.6	68.8	36.8	(17.0)	11.3	28.4	20.7
2014/15	116.1	77.9	10.3	67.6	38.2	(20.4)	9.1	29.5	22.1
2015/16	115.0	77.6	11.1	66.5	37.3	(19.3)	7.8	27.1	22.4
2016/17	116.1	77.6	11.1	66.5	38.4	(15.8)	7.6	23.5	22.4
2017/18	109.8	75.7	10.2	65.5	34.1	(14.4)	8.4	22.8	24.3
2018/19	112.9	77.7	9.2	68.5	35.2	(12.9)	7.9	20.8	22.3
2019/20	109.8	79.2	9.1	70.0	30.6	(9.8)	7.1	16.9	20.8
2020/21	109.1	81.1	8.8	72.2	28.0	(9.1)	7.6	16.7	18.9
2021/22	110.1	84.8	7.4	77.4	25.3	(10.1)	8.2	18.4	15.2
2022/23	107.4	85.2	6.3	78.9	22.2	(7.4)	6.6	14.0	14.8
2023/24	106.3	85.7	5.5	80.2	20.6	(6.3)	5.5	11.9	14.3
2024/25	106.9	86.8	5.8	80.9	20.1	(6.9)	13.3	20.2	13.2
Average 2020/21-2024/25	108.0	84.7	6.8	77.9	23.2	(8.0)	8.3	16.2	15.3
Average 2015/16-2024/25	110.3	81.1	8.5	72.7	29.2	(11.2)	8.0	19.2	18.9

Source: Ministry of Planning and Development (MoPD)

Fig.I.2: GDP Growth and Major Expenditure Components*(Right scale Real GDP growth)*

Source: Ministry of Planning and Development (MoPD)

I.6: Micro and Small-Scale Enterprises

344,233 new micro and small-scale enterprises (MSEs) were established during 2024/25. These enterprises created employment opportunities for 3.1 million people and secured over Birr 12.9 billion in loans to support their operations.

Table 1.4: Numbers, Amount of Credit and Jobs Created through MSEs*(Credit in Millions of Birr)*

Particulars	2022/23	2023/24	2024/25
No. of MSE's	208,667	282,193	344,233
Amount of credit	10,557	17,029	12,871
No of Total employment	4,467,023	2,568,340	3,095,452

Source: Federal Urban Job Creation and Food Security Agency (FeUJCFSA)

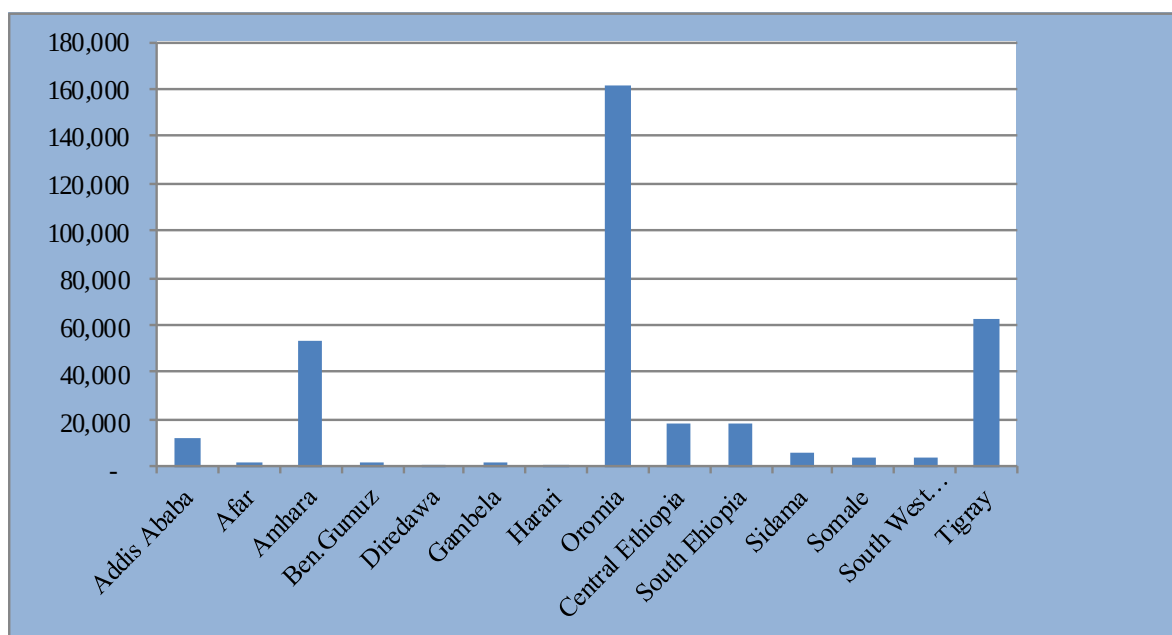
Table 1.5: Numbers, Amount of Credit and Jobs Created through MSEs by Region**(Credit in Millions of Birr)**

	Addis Ababa	Afar	Amhara	Benishangul Gumuz	Dire Dawa	Gambela	Harari	Oromia	Ethiopia	South Ethiopia	Sidama	Somali	West Ethiopia	Tigray	Total
No. of MSEs	12,136	1,430	53,149	1,569	801	1,456	349	161,478	18,296	17,770	5,535	3,474	3,923	62,867	344,233
Amount of credit	2,829	76	1,549	23	646	8	10	3,145	260	409	147	702	108	2,961	12,871
No. of total Employment created by MSEs	68,663	29,062	473,884	12,871	6,518	5,745	1,413	2,022,249	171,319	138,568	29,833	24,525	38,745	72,057	3,095,452
Regional Percentage Share															
No. of MSEs	3.5	0.4	15.4	0.5	0.2	0.4	0.1	46.9	5.3	5.2	1.6	1.0	1.1	18.3	100
Amount of credit	22.0	0.6	12.0	0.2	5.0	0.1	0.1	24.4	2.0	3.2	1.1	5.5	0.8	23.0	100
No. of total Employment created by MSEs	2.2	0.9	15.3	0.4	0.2	0.2	0.0	65.3	5.5	4.5	1.0	0.8	1.3	2.3	100

Source: FeUJCFS

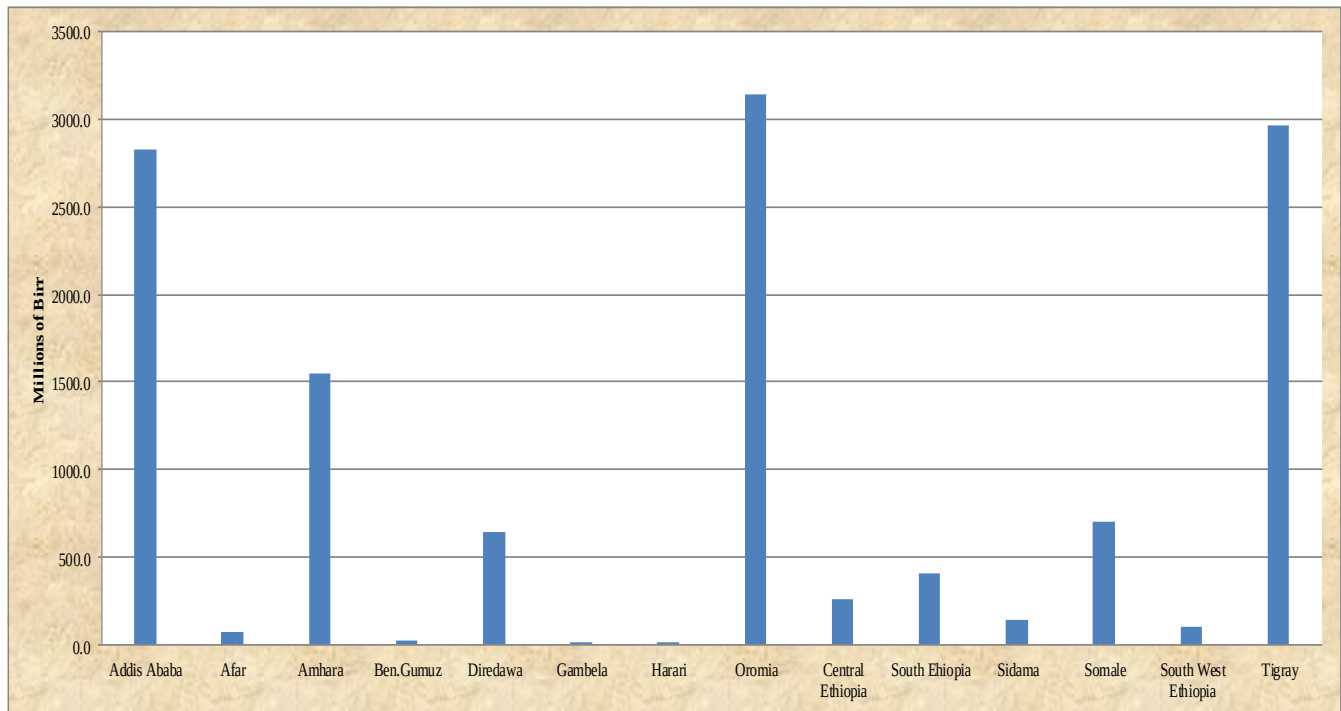
In terms of regional distribution, 46.9 percent of the newly established MSEs were located in Oromia, followed by Tigray (18.3 percent), Amhara (15.4 percent), Central Ethiopia Region (5.3 percent), South Ethiopia Region (5.2 percent), Addis Ababa (3.5 percent). Sidama accounted (1.6 percent), Southwest Ethiopia (1.1 percent), Somali (1 percent), while the remaining regions collectively represented 1.6 percent. Regarding total loans, SMEs in Oromia received 24.4 percent, followed by Tigray (23 percent), Addis Ababa (22 percent), Amhara (12 percent), Somali (5.5 percent), Dire Dawa (5 percent), South Ethiopia region (3.2 percent). Central Ethiopia Region (2 percent) and, Sidama (1.1 percent), while the remaining regions accounted for 2 percent. Of the total jobs created by these enterprises, about 65.3 percent was in Oromia, 15.3 percent in Amhara, 5.5 percent in Central Ethiopia Region, 4.5 percent in South Ethiopia Region, 2.3 percent in Tigray, 2.2 percent in Addis Ababa, 1.3 percent in South-West Ethiopia, 1 percent in Sidama and other regions collectively accounted for 2.6 percent.

Fig.I.3: Annual Distribution of Numbers of MSEs during 2024/25

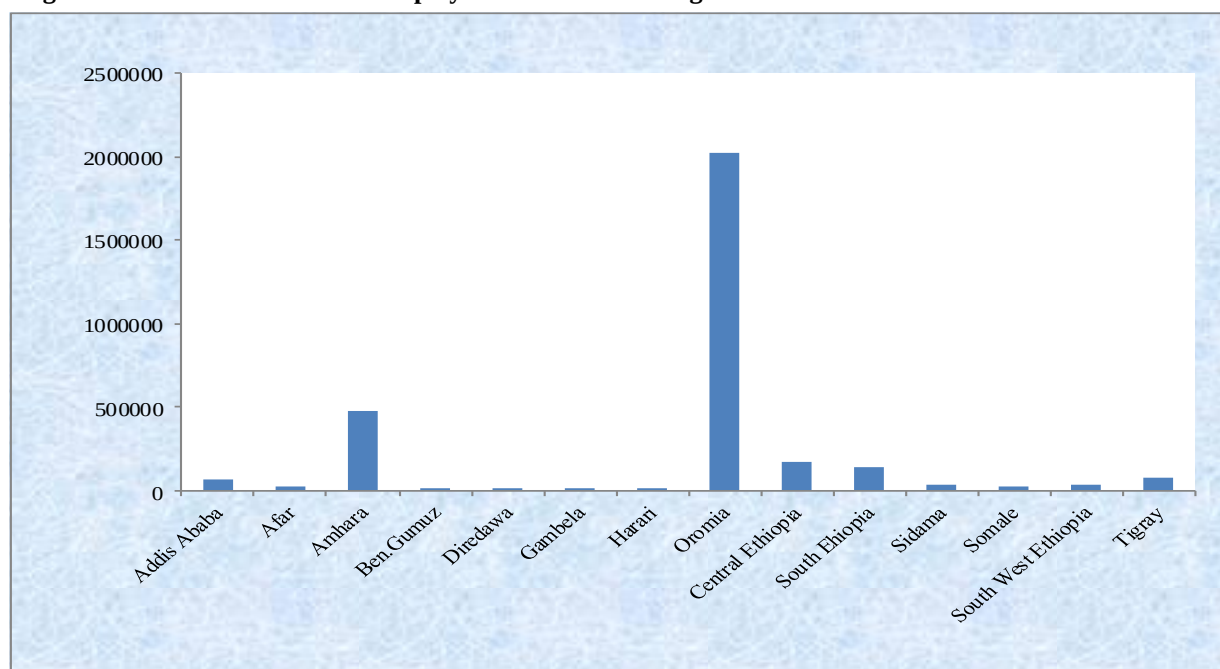


Source: FeUJCFSA

Fig.I.4: Annual Distribution of Amount of Credit during 2024/25



Source: FeUJCFSA

Fig.I.5: Annual Distribution of Employment Created during 2024/25

Source: Federal Urban Job Creation and Food Security Agency FeUJCFSA

I.7. Access to Water Supply

The proportion of the population with access to potable water supply increased to 72.7 percent (69 percent in rural areas and 84.3 percent in urban areas), up from 69.5 percent a year earlier (66.6 percent in rural areas and 79.1 percent in urban areas) (Table 1.7).

In terms of regional access, Oromia recorded the highest coverage of 88 percent, followed by Gambella (80 percent), Amhara (77 percent), Benishangul-Gumuz (73 percent), Dire Dawa (68 percent), Sidama (65 percent), Afar (59 percent), Addis Ababa (57 percent), Central Ethiopia (56 percent), Southern Ethiopia (54 percent), Somali (51 percent), South West Ethiopia (44 percent), and Harari (42 percent).

Regarding access to potable water in urban areas, Oromia had 89.7 percent share followed by Benshangul Gumuz (77.2 percent), Amhara (77.1 percent), Sidama (69.2 percent), Gambella (68.8 percent), Central Ethiopia Region (67.1 percent), and Southern Ethiopia Region (65 percent), Afar (60.1 percent), South West Ethiopia (60 percent), Addis Ababa (57 percent), Somali (56.4 percent), Dire Dawa (45 percent) and Harari (28 percent).

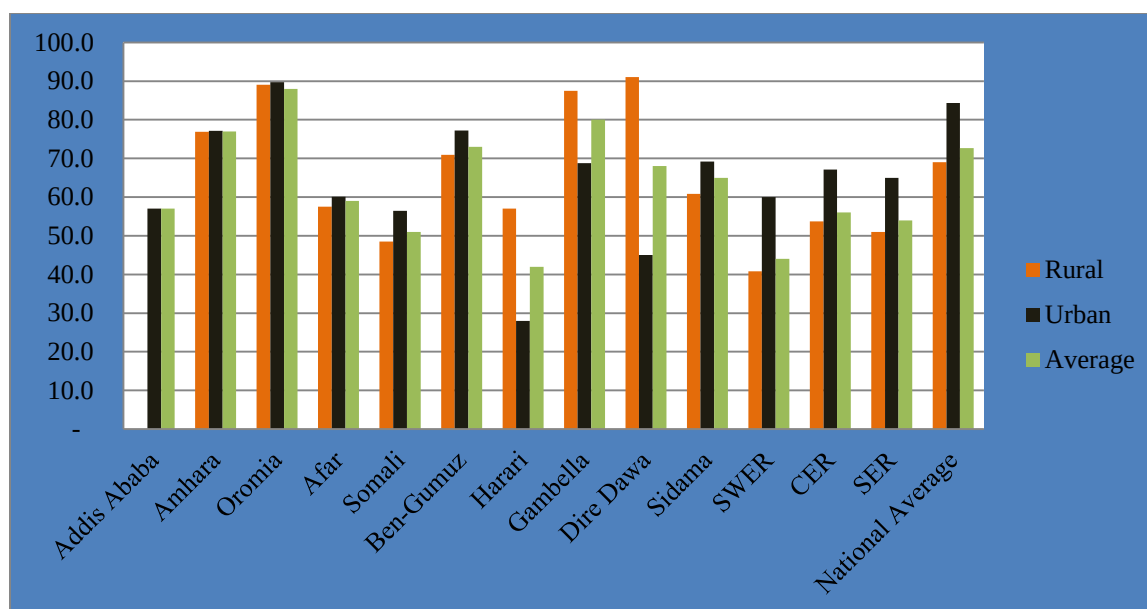
In terms of access to potable water in rural areas, Dire Dawa registered the highest (91 percent) followed by Oromia (89.1 percent), Gambella (87.5 percent), Amhara (76.9 percent), Benishangul Gumuz (70.9 percent), Sidama (60.8 percent), Afar (57.5 percent), Harari (57 percent), Central Ethiopia (53.7 percent), Southern Ethiopia (51 percent), Somali (48.5 percent) and South West Ethiopia (40.8 percent) (Table 1.7).

Table 1.6: Percentages of People with Access to Potable Water by Region

Regions	2023/24			2024/25			Change in percentage point		
	Rural	Urban	Total	Rural	Urban	Total	D-A	E-B	F-C
	A	B	C	D	E	F			
Tigray	-	-	-	-	-	-	-	-	-
Afar	54.2	55.1	54.7	57.5	60.1	59.0	3.3	5.0	4.3
Amhara	75.1	75.1	75.1	76.9	77.1	77.0	1.8	2.1	2.0
Oromia	88.5	89.4	87.4	89.1	89.7	88.0	0.5	0.3	0.6
Somali	45.7	51.4	47.4	48.5	56.4	51.0	2.8	5.0	3.6
B.Gumuz	68.4	72.1	69.4	70.9	77.2	73.0	2.5	5.1	3.6
Gambella	93.2	75.6	83.9	87.5	68.8	80.0	-5.7	-6.8	-3.9
Harari	53.0	26.0	40.0	57.0	28.0	42.0	4.0	2.0	2.0
D. Dawa	91.0	45.0	61.0	91.0	45.0	68.0	0.0	0.0	7.0
Sidama	58.4	66.7	60.4	60.8	69.2	65.0	2.4	2.5	4.6
South West Ethiopia	39.7	59.0	42.8	40.8	60.0	44.0	1.1	1.0	1.2
Central Ethiopia	51.0	63.3	53.4	53.7	67.1	56.0	2.7	3.8	2.6
South Ethiopia	50.0	62.0	52.0	51.0	65.0	54.0	1.0	3.0	2.0
AA		57.0	57.0	-	57.0	57.0	-	-	-
Total	66.6	79.1	69.5	69.0	84.3	72.7	2.4	5.2	3.1

Source: Ministry of Water and Energy and NBE Staff Computation¹

¹ This result has been computed based on 2nd water supply inventory

Fig.I.6: Access to Water Supply by Region 2024/25 (in %)

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

I.8. Road Sector Development

1.8.1. Road Network

Road transport remains the primary and most vital mode of transportation in Ethiopia. In recent decades, substantial improvements in the road transport network have facilitated greater mobility for people and commodities.

In 2024/25, the total road network expanded to 180,232 km, representing a 5.3 percent increase over the previous year. The country's total road network consisted of 68,296 Km (37.9 percent), woreda road, 44,717 Km (24.8 percent), urban road, 36,395 Km (20.2 percent) rural road and 30,824 Km (17.1 percent) Federal roads which included 18,751 Km (60.8 percent) asphalt network & 12,073 Km (39.2 percent) gravel road. Total asphalt road accounted for about 10.4 percent of the total road network (Table 1.7).

Table 1.7: Classification of Road Network

(Length in km)

Year	Federal Road				Rural Roads		Woreda Roads *		Urban Roads			Total**	
	Asphalt		Gravel						Paved	Coble	Unpaved		
	Length	Growth rate	Length	Growth rate	Length	Growth rate	Length	Growth rate	Length	Length	Length	Length	Growth rate
2011/12	9,875	19.0	14,675	3.8	31,550	2.7	6,983	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		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	2,814	3,664	120,171	6.3
2017/18	15,886	-	12,813	-	35,985	7.8	56,732	7.6	1,693	2,814	850	126,773	5.5
2018/19	15,886	-	12,813	-	35,806	(0.5)	55,808	(1.6)	1,914	5,200	15,583	144,028	13.6
2019/20	15,886	-	12,813	-	35,806	0.0	55,808	-	1,734	5,798	16,182	144,028	-
2020/21	16,225	2.1	12,491	(2.5)	38,547	7.7	59,604	6.8	1,771	6,568	20,624	155,830	8.2
2021/22	16,760	3.3	12,231	(2.1)	39,840	3.4	62,430	4.7	1,824	7,046	21,903	162,033	4.0
2022/23	18,621	11.1	12,144	(0.7)	32,859	(17.5)	64,567	3.4	1,805	7,206	28,661	171,368	5.8
2023/24	18,754	0.7	12,069	(0.6)	34,174	4.0	66,288	2.7	2,448	7,492	29,950	171,175	(0.1)
2024/25	18,751	(0.02)	12,073	0.04	36,395	6.5	68,296	3.0	2,408	8,703	33,606	180,232	5.3

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.

1.8.2 Road Density

The proper level of road network is assessed by road density as measured by road length per 1,000 persons or by road length per 1,000 km².

By the end of 2024/25, road density per 1,000 square kilometers reached 157 km, reflecting a 5.3 percent increase over the previous year. At the same time, road density per 1,000 population rose to 1.46 km, marking a 1.3 percent annual expansion (Table 1.8).

Table 1.8: Road Densities

Year	Road Density /1000 person	Road density /1000 sq. km
2011/12	0.75	57.3
2012/13	1	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
2017/18	1.3	115.2
2018/19	1.43	130.9
2019/20	1.41	131
2020/21	1.42	135.8
2021/22	1.43	141.0
2022/23	1.41	149.3
2023/24	1.44	149.1
2024/25	1.46	157.0
Growth rate	1.30	5.3

Source: Ethiopian Roads Authority

1.8.3 Road Accessibility

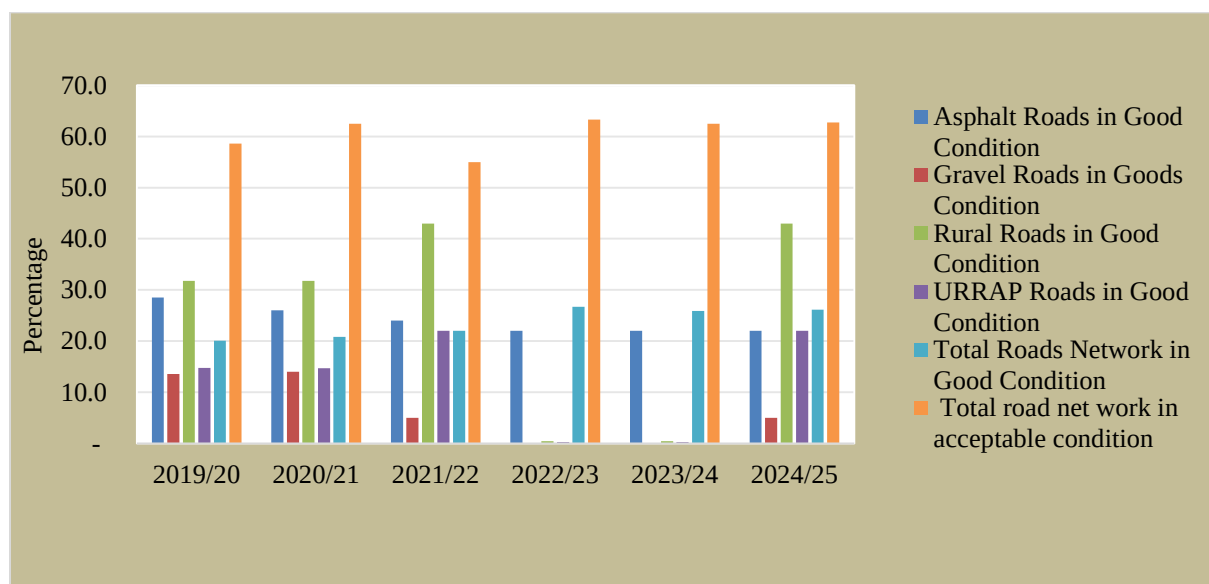
The annual average distance from all -weather roads decreased by 3.5 percent from 4.4 Km in 2023/24 to 4.2 Km in 2024/25. Likewise, the proportion of area more than 5 km from all-weather roads fell from 32 percent to 30.8 percent over the same period (Table 1.9). Regarding, the status of road transport network about 22 percent of the asphalt road and 5 percent of the gravel road were in good condition (Figure I.6).

Table 1.9: Road Accessibility

Indicator	2023/24	2024/25	Percentage change
Proportion of area more than 5Km from all-weather road	32.0	30.8	-3.7
Average distance from all-weather roads	4.4	4.2	-3.5

Source: Ethiopian Roads Authority

Fig.I.7: Status of Roads



Source: Ethiopian Roads Authority

1.8.4 Road Sector Financing

During the review period, total investment in road construction and expansion rose by 49.6 percent to Birr 123.4 billion from Birr 82.5 billion in the previous year (Table 1.10 and fig.I.7).

Investment in federal road construction and expansion accounted for 84 percent of total road investment, amounting to Birr 103.7 billion, while woreda roads represented 8.6 percent and regional roads 7.4 percent (Table 1.10) and (Fig.1.7).

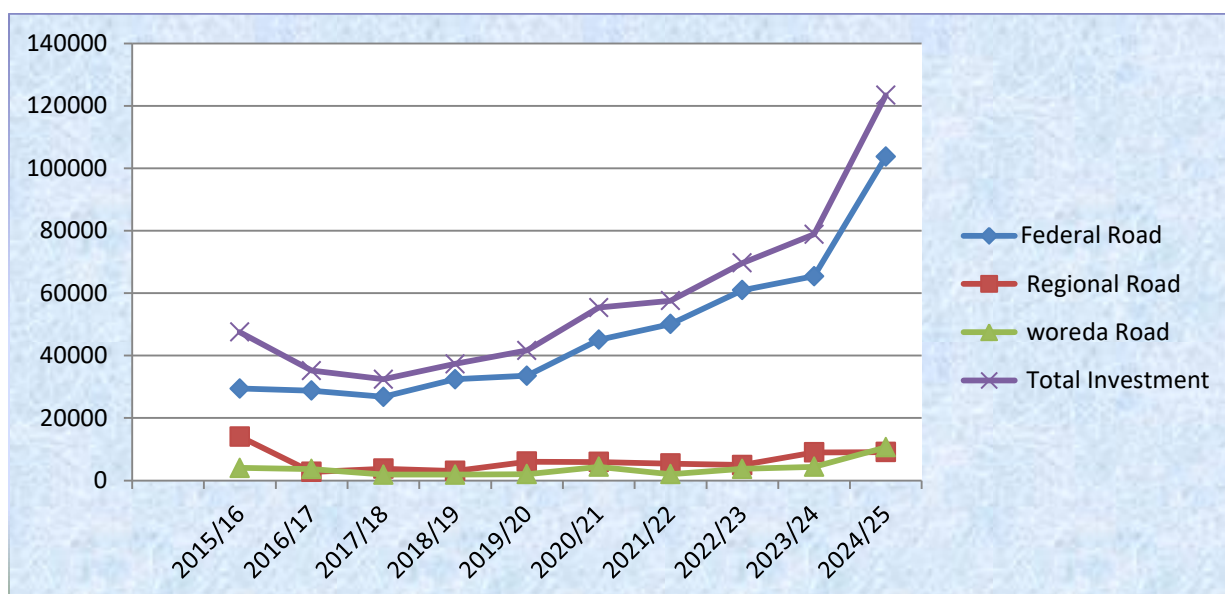
Table 1.10: Investments in the Road Sector

(In millions of Birr)

Road type	2023/24		2024/25		Percentage change
	A	Share (In %)	B	Share (In %)	
Federal roads	65,405.5	79.3	103,675.8	84.0	58.5
Regional road	9,024.8	10.9	9,088.9	7.4	0.7
Woreda road	8,033.3	9.7	10,633.2	8.6	32.4
Urban road*	-	-	-	-	-
Total	82,463.6	100.0	123,397.9	100.0	49.6

Source: Ethiopian Roads Authority

* All municipalities' maintenance.

Fig.I.8: Investment in Road Construction and Expansion

Source: Ethiopian Roads Authority

I.9. Telecommunication

Expansion in telecom infrastructure is one of the major preconditions set to achieve the nation's digital transformation objectives in the “Digital Ethiopia 2030 Strategy”, the government’s long-term strategy to transform the economy, society, and public sector through digital technologies.

Cognizant of this fact, the Ethiopian government has made major investment for improving service quality, expansion of service coverage and enhancing 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 2024/25 the total number of subscribers reached 83.2 million, reflecting a 6.2 percent increase compared to the previous year. This growth was driven by a 6.2 percent rise in mobile voice subscribers and 11 percent increase in internet and data subscribers, despite a 12.2 percent decline in fixed voice service subscribers. Of the total subscriber, mobile voice represented the dominant share of 80.3 million (96.6 percent) followed by internet & data 2.1 million (2.6 percent) while fixed voice service accounted 722 thousand (0.9 percent) (Table 1.13).

Table 1.11: Number of Subscribers (In 000')

Service Type	2023/24	2024/25	Percentage Change
Total subscriber base	78,342	83,177	6.2
Mobile voice subscriber	75,594	80,316	6.2
Internet and data subscriber	1927	2139	11.0
Fixed voice service subscriber	822	722	-12.2
Internet and data user	41,193	47,400	15.1
Mobile voice	75,594	80,315	6.2
Residential	74599	79403	6.4
Enterprises	994	912	-8.2
Broad band & internet subscriber	1535	1630	6.2
Residential	1186	1225	3.3
Enterprises	349	405	16.0
Narrow band data & internet subscriber	392	508	29.6
Residential	-	-	-
Enterprises	392	508	29.6
Fixed voice	821	722	-12.1
Residential	464	374	-19.4
Enterprises	357	348	-2.5
Broad band data & internet user	40800	46891	14.9
Broad band data Residential	40000	46028	15.1
Broad band data enterprise	800	863	7.9
Narrow data & internet user	392	508	29.6
Narrow band residential	-	-	-
Narrow band enterprise	392	508	29.6

Source: Ethio-Telecom

Note: Total subscriber base doesn't include internet and data user.

The country's telecommunication penetration rate (telecom density) rose from 71 percent in 2023/24 to 74 percent in 2024/25 due to the improvement in mobile density to 72.6 percent in 2024/25 from 69.6 percent year ago. In the meantime, internet and data density increased to 42.5 percent from 37.4 percent during the same period. In contrast, fixed-line density declined to 0.6 per 100 subscribers, compared to 0.7 per 100 subscribers a year earlier (Table 1.14).

Table 1.12: Telecom Density

Tele density/100 Subscribers*	2021/22	2022/23	2023/24	2024/25
Fixed line	0.8	0.8	0.7	0.6
Mobile	61.3	65.4	69.6	72.6
Total	63.3	66.2	71.0	74.0
Internet and data	21.5	31.5	37.4	42.5

Source: Ethio-Telecom

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

Income of Ethio-telecom increased by 70.7 percent to Birr 163.3 billion in 2024/25 vis-à-vis Birr 95.7 billion registered a year earlier. Likewise, its total expenses rose to Birr 131.5 billion depicting 128.7 percent annual growth. Accordingly, Ethio-telecom earned a gross profit of Birr 20.4 billion in 2024/25, which was 31.5 percent lower than the previous year (Table 1.16).

Table 1.13: Financial Performance and Asset of Ethio -Telecom

(In Billions of Birr)

Finance and Asset	2022/23	2023/24	2024/25	Percentage Change	
	A	B	C	C/A	C/B
Revenue	75.8	95.7	163.3	115.5	70.7
Expense	42.3	57.5	131.5	210.6	128.7
Gross Profit	28.7	29.8	20.4	-28.9	-31.5
Assets	143.3	156.2	219.3	53.0	40.4
Depreciation	6.2	8.4	11.4	84.2	36.8

Source: Ethio – Telecom

II. ENERGY PRODUCTION

2.1. Electric Power Generation

Ethiopia has a potential to generate 45,000 MW of electric power, from hydroelectric power, as nine of its major rivers are suitable for hydroelectric power generation. The increasing power demand, and with a plan to have a better power generation mix, the country has been venturing to diversify its production of renewable energy to wind and geothermal sources.

The total energy production from wind has reached 324 MW. Adama II wind farm has a generating capacity of 153 MW. Adama I and Ashegoda wind farms have a generating capacity of 51MW and 120 MW, respectively. In addition, the Aysha wind farm project, currently under construction, is anticipated to contribute another 300 MW upon completion.

Ethiopia is recognized for its significant solar energy potential, due to its geographical proximity to 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.

In 2024/25, about 29.5 billion KWH of electric power was generated, depicting an annual growth of 43.1 percent. Of this total, about 97.3 percent was produced through hydropower, while the remaining 2.7 percent came from wind sources.

The total electricity generated from hydropower increased to 28.7 billion KWH, up from 19.9 billion KWH the previous year, marking a 44.3 percent annual growth. This increase in hydropower production was primarily driven by the completion of the Grand Ethiopian Renaissance Dam (GERD). Meanwhile, energy production from wind sources increased by 16.5 percent (Table 2.1).

Table 2.1: Electric Power Generation in ICS and SCS

(In '000 KWH)

Source		2022/23		2023/24		2024/25		Percentage Change	
		[A]	Share (In %)	[B]	Share (In %)	[C]	Share (In %)	[C/A]	[C/B]
ICS	Hydro Power	17,126,115.6	96.7	19,868,434.9	96.5	28,671,718.8	97.3	67.4	44.3
	Thermal Power		-	-	-	-	-	-	-
	Geothermal		-	-	-	-	-	-	-
	Wind	575,617.1	3.3	684,651.1	3.3	797,840.4	2.7	38.6	16.5
	Biomass	6,575.0	0.0	41,123.8	0.2	-	-		
Sub Total		17,708,307.7	100	20,594,209.8	100	29,469,559.1	100	66.4	43.1
SCS	Hydro Power	-	-	-	-	-	-	-	-
	Thermal Power	-	-	-	-	-	-	-	-
Sub Total		-	-	-	-	-	-	-	-
Total	Hydro Power	17,126,115.6	96.7	19,868,434.9	96.5	28,671,718.8	97.3	67.4	44.3
	Thermal Power	-	-	-	-	-	-	-	-
	Geothermal	-	-	-	-	-	-	-	-
	Wind	575,617.1	3.3	684,651.1	3.3	797,840.4	2.7	38.6	16.5
	Biomass	6,575.0	0.0	41,123.8	0.2	-	-		
Grand Total		17,708,307.7	100	20,594,209.8	100	29,469,559.1	100	66.4	43.1

Source: Ethiopian Electric Power

2.2. Volume and Value of Petroleum Imports

In 2024/25, the Ethiopian Petroleum Enterprise imported approximately 4.2 million metric tons of petroleum products valued at Birr 395.2 billion. This marked a significant increase (100.2 percent) in total import value compared to the previous year, primarily due to an increased volume of petroleum product imports, despite a decline in international oil prices.

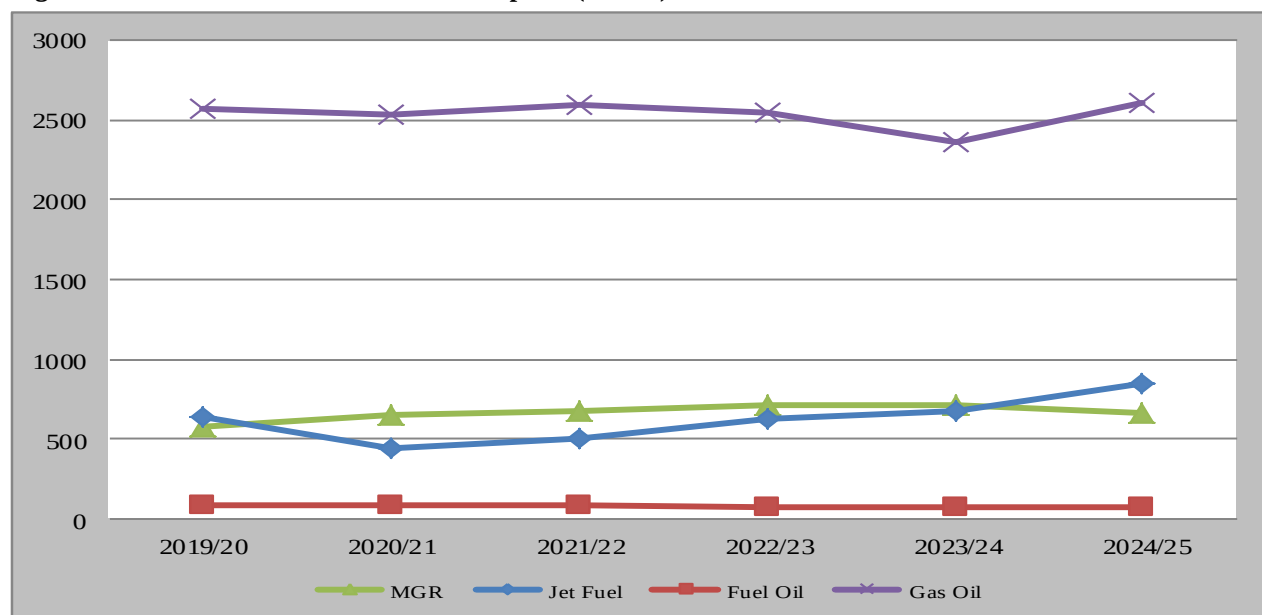
The year-on-year increase in the volume of petroleum product imports was driven by higher volume of all petroleum products, except for regular gasoline, which saw a 5.8 percent decrease. Similarly, the rise in the value of petroleum import was primarily attributed to substantial increases in the value of jet fuel imports (126.2 percent), fuel oil (122.4 percent), gas oil (99.5 percent) and regular gasoline (77.8 percent) (Table 2.2) (Fig.II.1 & Fig.II.2).

Table 2.2: Volume and Value of Petroleum Imports

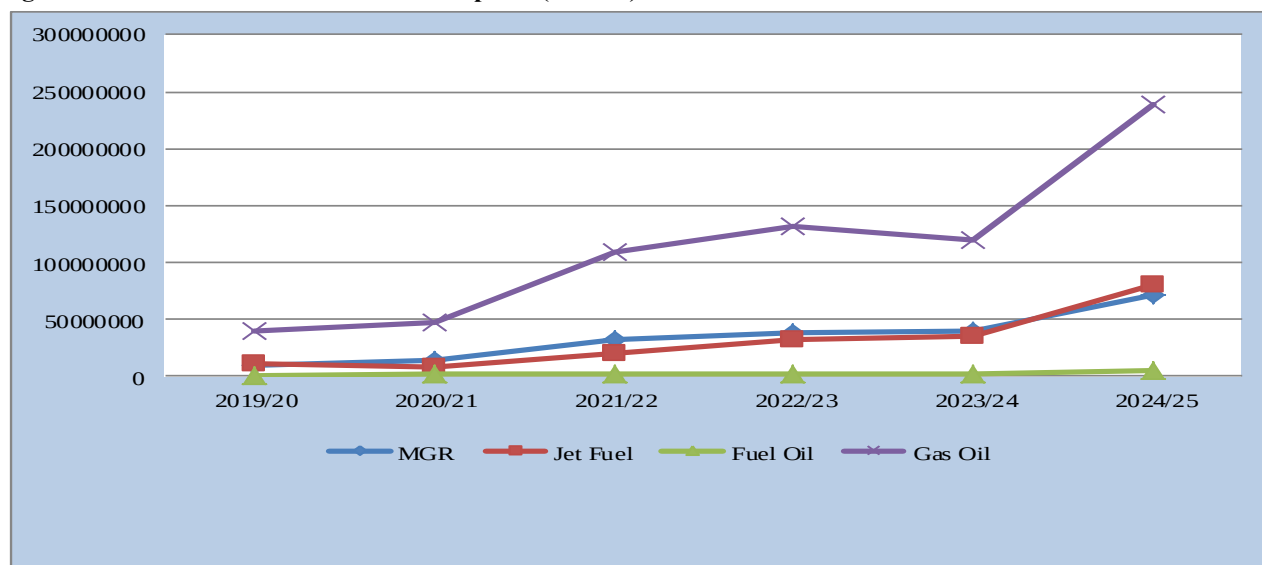
(Volume in MT and Value in '000 Birr)

Petroleum Products	2023/24		2024/25		Percentage Change	
	Volume	Value	Volume	Value		
	A	B	C	D	C/A	D/B
Regular Gasoline (MGR)	708,492.8	39,841,056.0	667,354.7	70,826,939.2	(5.8)	77.8
Jet Fuel	672,561.0	35,283,000.2	847,728.3	79,807,091.4	26.0	126.2
Fuel Oil	69,380.6	2,455,560.3	74,201.5	5,461,012.6	6.9	122.4
Gas Oil (ADO)	2,362,773.6	119,875,256.5	2,609,349.8	239,137,765.1	10.4	99.5
Total	3,813,208.0	197,454,873.1	4,198,634.3	395,232,808.4	10.1	100.2

Source: Ethiopian Petroleum Enterprise

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

Source: Ethiopian Petroleum Enterprise

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

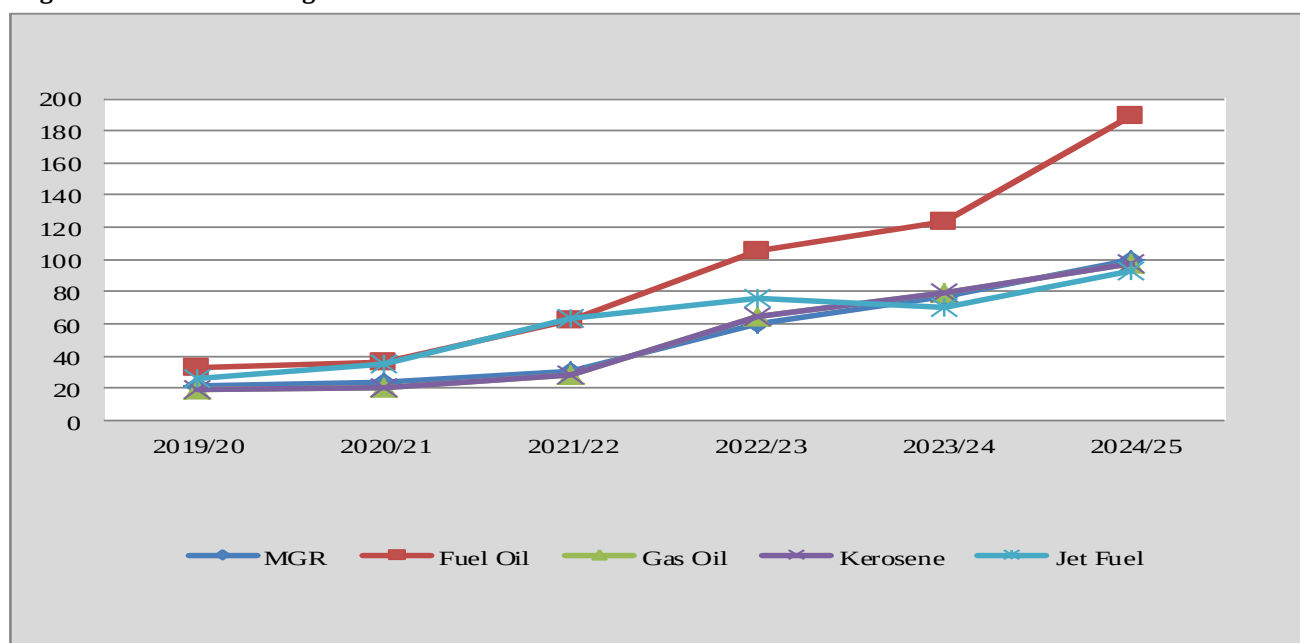
Source: Ethiopian Petroleum Enterprise

After the lifting-up of the fuel subsidy, domestic retail prices increased despite the marginal decline in international oil prices. Consequently, the retail price of fuel oil rose by 53.4 percent, jet fuel (31.8 percent), regular gasoline (28.9 percent), and gas oil and kerosene each (23.6 percent) (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
2022/23	Qtr.1	50.90	105.47	52.65	52.65	94.03
	Qtr.2	59.88	100.74	64.83	64.83	73.41
	Qtr.3	61.29	98.37	67.30	67.30	70.60
	Qtr.4	69.52	114.60	71.15	71.15	65.35
	Average	60.40	104.79	63.98	63.98	75.85
2023/24	Qtr.1	74.01	120.47	75.75	75.75	68.33
	Qtr.2	77.65	123.52	79.75	79.75	70.83
	Qtr.3	77.65	123.52	79.75	79.75	70.83
	Qtr.4	79.64	125.58	81.08	81.08	70.83
	Average	77.24	123.27	79.08	79.08	70.21
2024/25	Qtr.1	82.6	129.70	83.74	83.74	70.83
	Qtr.2	91.14	197.87	90.28	90.28	77.76
	Qtr.3	105.20	214.84	101.96	101.96	110.77
	Qtr.4	119.24	214.08	115.12	115.12	110.77
	Average	99.55	189.12	97.78	97.78	92.53
	Annual percentage change	28.9	53.4	23.6	23.6	31.8

Source: Ethiopian Petroleum Enterprise

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

Source: Ethiopian Petroleum Enterprise.

III. PRICE DEVELOPMENTS

3.1. Developments in Consumer Price at National Level

In 2024/25, the annualized average headline inflation rate dropped to 16.0 percent from 26.6 percent in the preceding year. This decline included a 9.7 percent contribution from food inflation and a 6.3 percent from non-food inflation. The decrease was primarily driven by a 12.0 percentage points reduction in the annual average food inflation rate and 8.5 percentage points decline in average annual non-food inflation (see Table 3.1).

Compared to the previous year, the decline in food inflation in 2024/25 was attributed to significant decreases in specific categories such as ‘Breads & cereals’ showed a reduction of 27.4 percentage points, vegetables by 25.4 percentage points, ‘Milk, cheese & egg’ by 10.8 percentage points and meat by 10.2 percentage points. However, non-alcoholic beverages experienced an increase of 32.3 percentage points and ‘Oils fats’ rose by 20.9 percentage points (see Table 3.3).

Notably, bread & cereals constituted the highest contribution (4.5 percent) to the 16.2 percent annualized average inflation rate.

Furthermore, the reduction in the annualized average non-food inflation rate was largely influenced by fall in inflation rate of communication (24.8 percentage points), health (23.1 percentage points), ‘Housing, water, gas & fuels’ (11.6 percentage points), and ‘alcoholic beverages and tobacco’ (10.7 percentage points) (Table 3.4). Among these categories, ‘housing, water, electricity, gas & other fuels’ accounted for the biggest absolute contribution (5.3 percent) to the average annual non-food inflation of 16.0 percent recorded in 2024/25..

Table 3.1: National Annual Average Inflation Rates (in %)

Items	Weight(in%)	2023/24	2024/25	Change in percentage Points	Contribution(in%) to annual average inflation 2024/25	
		A	B	B-A	Absolute	Relative
Headline	100.0	26.6	16.0	-10.6	16.0	100
Food & Non-alcoholic beverages	54.0	28.1	16.2	-12.0	9.7	60.7
Non-Food	46.0	24.3	15.8	-8.5	6.3	39.3

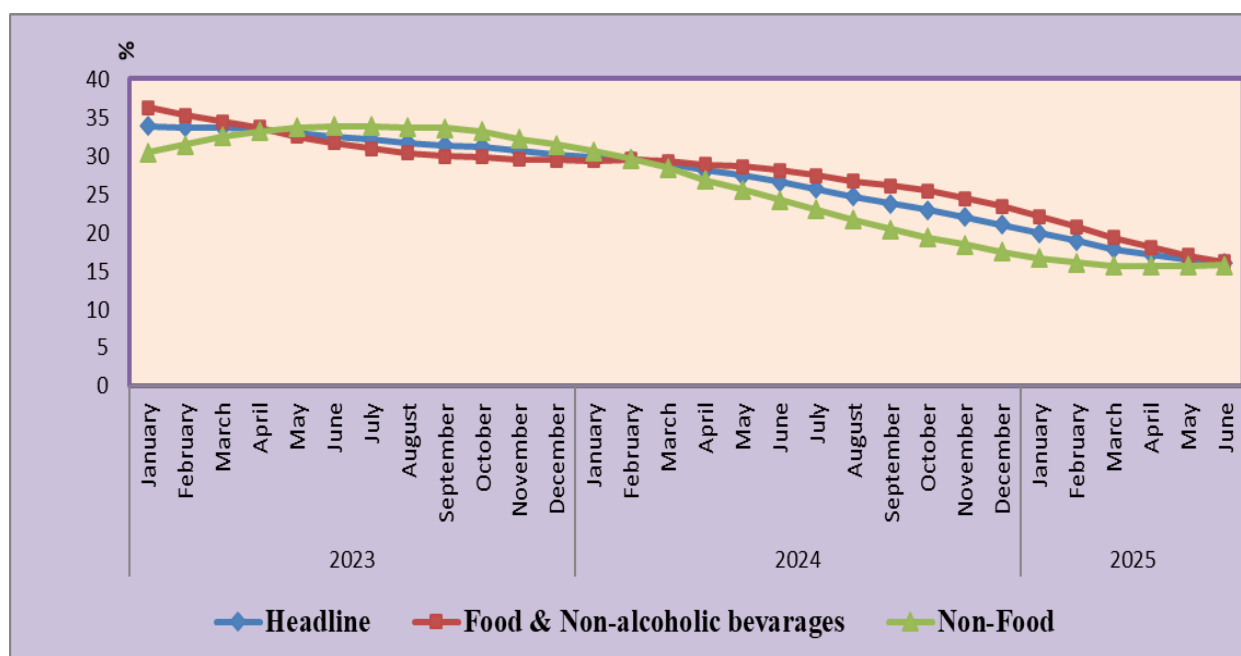
Source: Ethiopian Statistical Service (ESS)

Year-on-year, headline inflation declined to 13.9 percent from 19.9 percent a year ago. The decline was primarily driven by 11.0 percentage points reduction in food inflation despite a slight increase in non- food inflation (1.5 percentage points). Food inflation contributed (7.1 percent), while non-food inflation accounted for (6.8 percent) (see Table 3.2).

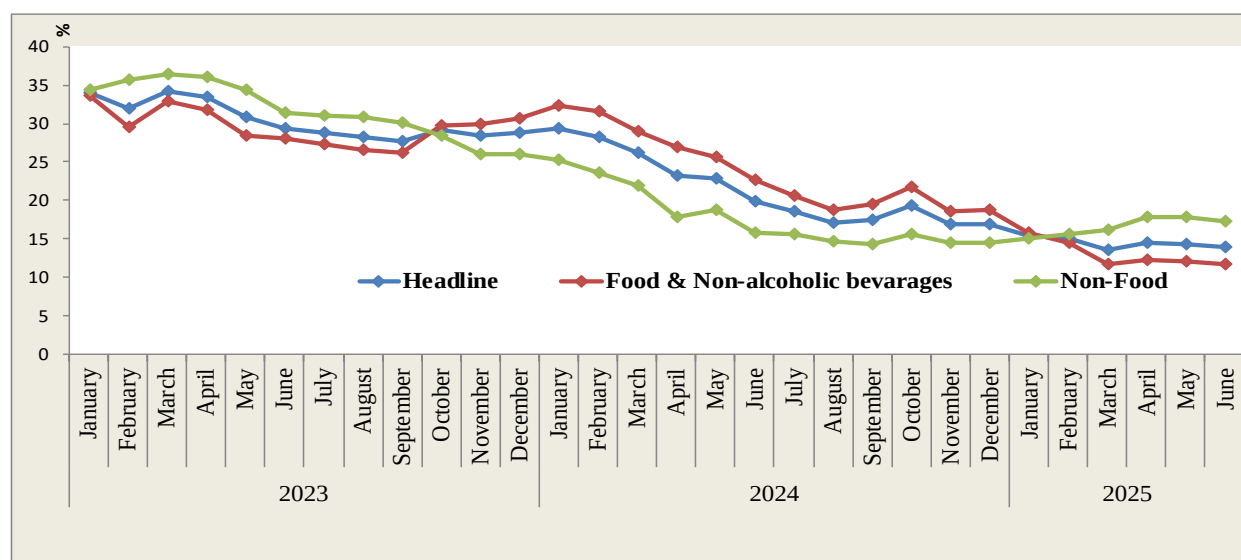
Table 3.2: National Annual Year-on Year Inflation Rates (in %)

Items	Weight (in %)	2023/24	2024/25	Change in percentage points	Contribution in % to annual inflation 2024/25	
		A	B	B-A	Absolute	Relative
Headline	100	19.9	13.9	-6.0	13.9	100.00
Food & Non-alcoholic beverages	54	22.7	11.7	-11.0	7.1	51.3
Non-Food	46	15.8	17.3	1.5	6.8	48.7

Source: ESS

Fig.3.1: Trends in Twelve Month Average Annualized Inflation Rates (National)

Source: ESS

Fig.3.2: Trends in Annual Year-on-Year Inflation Rates (National)

Source: ESS

Table 3.3: Twelve Month Average Annual Inflation Rates of Food & Non-alcoholic Beverages December 2016=100

Inflations	Weights (in %)	2023/24	2024/25	Change in %age points	Contribution(in%) to Annual Average Inflation	
		A	B	B-A	Absolute	Relative
Food and Non-alcoholic Beverages	0.54	28.1	16.2	-12.0	16.3	100
Bread and cereals	0.17	38.5	11.0	-27.4	4.5	27.6
Meat	0.04	27.5	17.3	-10.2	1.4	8.4
Fish and sea food	0.00	-8.7	7.3	16.0	0.0	0.0
Milk, cheese and egg	0.03	22.0	11.2	-10.8	0.6	3.7
Oils &Fats	0.04	3.0	23.9	20.9	1.6	10.2
Fruit	0.00	17.4	9.9	-7.5	0.0	0.2
Vegetables	0.12	40.4	15.1	-25.4	3.4	20.9
Sugar jam, honey, chocolate	0.01	34.2	32.4	-1.8	0.5	2.8
Food products n.e.c	0.06	13.8	26.0	12.2	2.2	13.6
Non-alcoholic beverages	0.05	-0.6	31.7	32.3	2.2	13.6

Table 3.4: Twelve Month Average Annual Inflation of Non-food Items December 2016=100

Inflations	Weights (in %)	2023/24	2024/25	Change in %age points	Contribution(in%) to Annual Average Inflation	
		A	B	B-A	Absolute	Relative
Non-Food Inflation	0.46	24.3	15.8	-8.5	16.0	100
Alcoholic beverages and tobacco	0.05	27.7	17.0	-10.7	1.9	11.7
Clothing and footwear	0.06	14.6	8.0	-6.6	1.1	7.0
Housing, Water, Electricity, Gas and other Fuel	0.17	27.9	16.3	-11.6	5.3	33.1
Furnishings, household equipment and routine maintenance of houses	0.05	22.2	12.6	-9.6	1.8	11.2
Health	0.01	37.1	14.0	-23.1	0.3	2.2
Transport	0.02	17.1	34.3	17.2	1.8	11.3
Communication	0.02	28.6	3.8	-24.8	0.0	0.3
Recreation and culture	0	0.3	2.5	2.2	0.0	0.2
Education	0	23.1	16.6	-6.5	0.1	0.7
Hotel & restaurant	0.05	26.8	20.3	-6.5	2.6	16.8
Miscellaneous goods	0.03	20.7	15.4	-5.3	0.9	5.8

Source: ESS

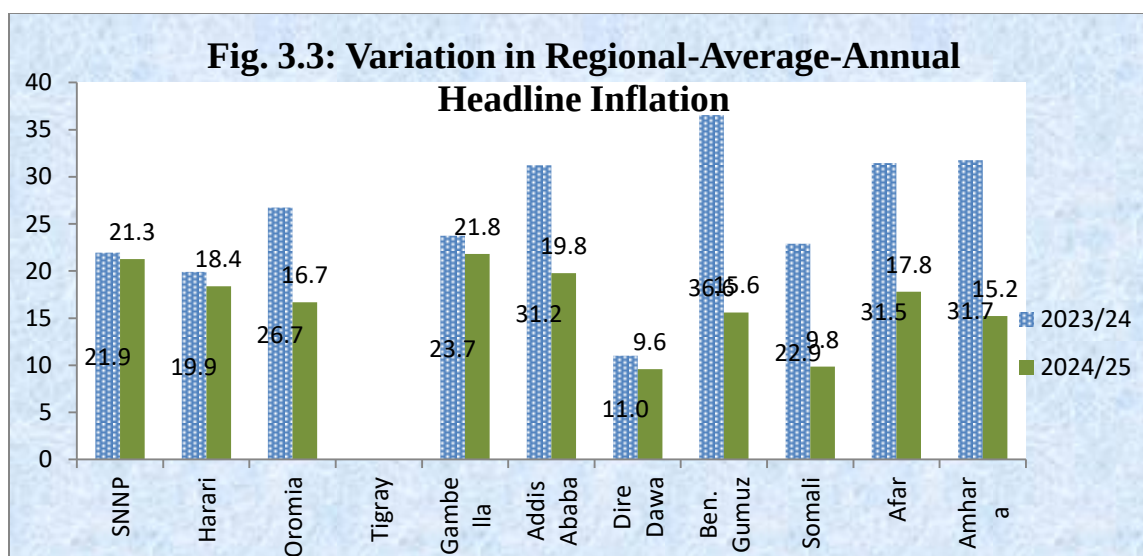
3.2. Consumer Price Developments in Regional States

In 2024/25 the annualized average headline inflation rate decreased to 16.6 percent, down from 25.7 percent in the previous year. The regions of Gambella (21.8%), SNNP (21.3%), Addis Ababa (19.8 %), Afar(17.8%) and Oromia (16.7%) registered annual average headline inflation rates exceeding the regional average. Gambella experienced the highest headline inflation of 21.8 percent while Dire Dawa recorded the lowest at 7.9 percent; revealing 13.9 percentage points range in the rates of inflation between regions with the highest and lowest headline inflation (Table 3.5).

Table 3.5: Regional Average Annual Inflation (in %)

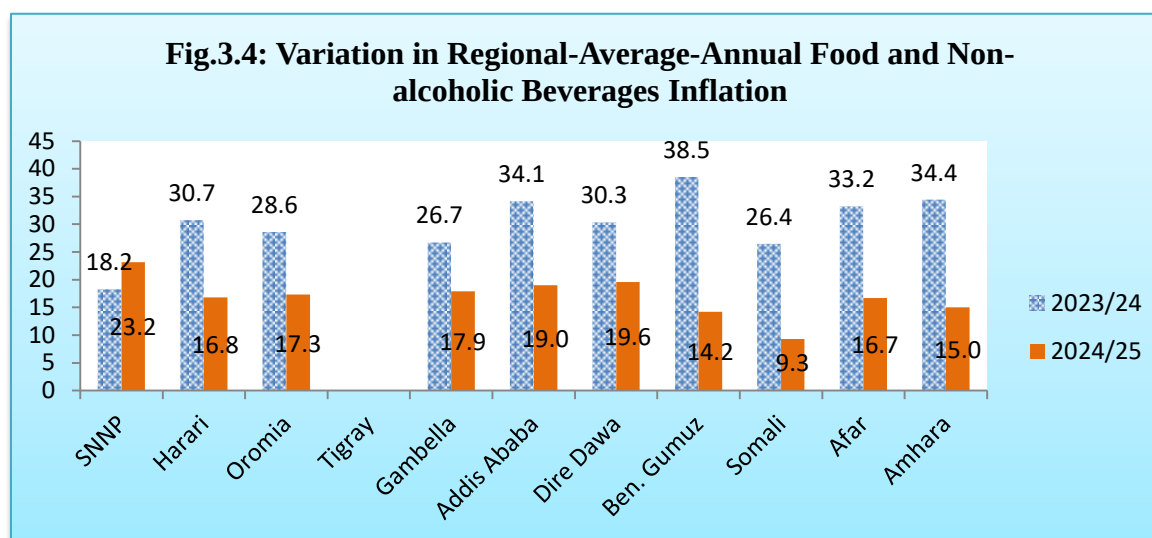
Regions	2023/24			2024/25			Change in Percentage Points		
	General	Food &Non-alcoholic beverages	Non-food	General	Food &Non-alcoholic beverages	Non-food	General	Food &Non-alcoholic beverages	Non-food
	A	B	C	D	E	F	D-A	E-B	F-C
SNNP	21.9	18.2	28.2	21.3	23.2	18.3	-0.7	4.9	-9.9
Harari	19.9	30.7	10.5	18.4	16.8	20.1	-1.5	-13.9	9.6
Oromia	26.7	28.6	23.6	16.7	17.3	15.6	-10.1	-11.3	-8.0
Tigray									
Gambella	23.7	26.7	18.8	21.8	17.9	28.9	-1.9	-8.8	10.1
Addis Ababa	31.2	34.1	28.6	19.8	19.0	20.6	-11.4	-15.1	-8.1
Dire Dawa	9.6	30.3	18.9	7.9	19.6	14.5	-1.4	-10.7	-4.4
Ben. Gumuz	36.6	38.5	34.2	15.6	14.2	17.3	-21.0	-24.3	-16.9
Somali	22.9	26.4	18.1	9.8	9.3	10.7	-13.1	-17.1	-7.4
Afar	31.5	33.2	29.1	17.8	16.7	19.3	-13.7	-16.5	-9.8
Amhara	31.7	34.4	28.2	15.2	15.0	15.5	-16.5	-19.4	-12.8
Regions Average	25.7	30.1	23.8	16.6	16.9	18.1			
Standard deviation	7.4	5.6	7.1	4.2	3.7	4.8			
Coefficient of variation	0.3	0.2	0.3	0.3	0.2	0.3			

Source: ESS



Source: ESS

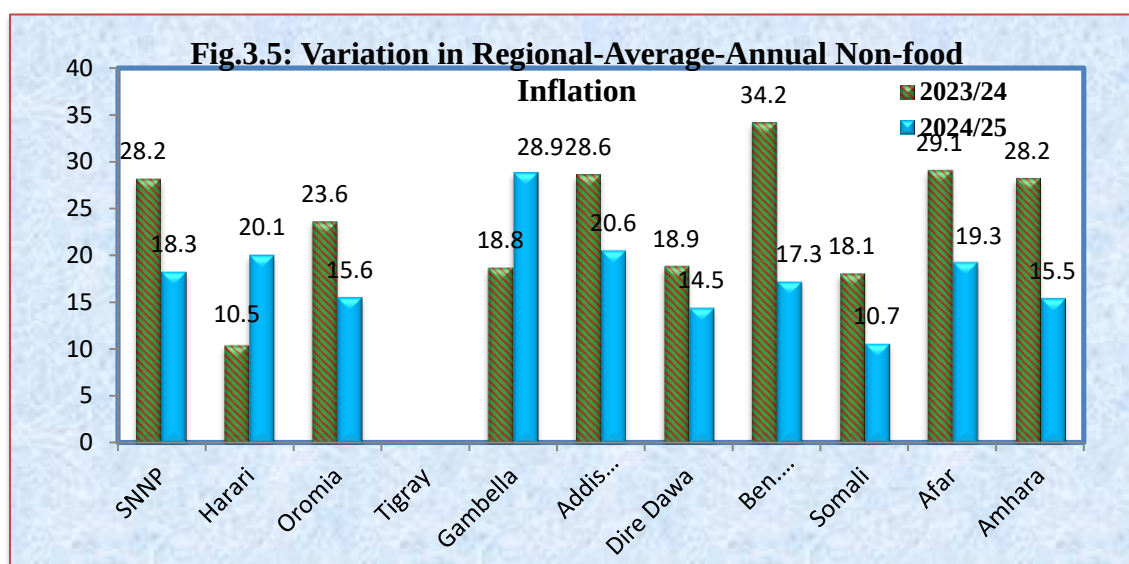
The regional average inflation for food & non-alcoholic beverages decreased to 16.9 percent in 2024/25, down from 30.1 percent in the previous year. Food & non-alcoholic beverages inflation in SNNP (23.2%), Dire Dawa (19.6%), Addis Ababa (19.0%), Gambella (17.9%), and Oromia (17.3%) was higher than the regional average. The highest food & non-alcoholic beverages inflation was registered in SNNP (23.2%) while the lowest was in Somali (9.3%), depicting 13.9 percentage point range among the regions (Fig:3.4).



Source: ESS

In 2024/25, the average annual regional non-food inflation decreased to 18.1 percent, down from 23.8 percent in 2023/24. Gambella (28.9%), Addis Ababa (20.6%), Harari (20.1%), Afar (19.3%) and ,SNNP (18.3%) recorded non-food inflation higher than the regional average.

The highest non-food inflation was recorded in Gambella at 28.9%, while the lowest was in the Somali region at 10.7%, resulting in a range of 18.2 percentage points (Fig. 3.5)



Source: ESS

IV. MONETARY AND FINANCIAL DEVELOPMENTS

4.1. Monetary Developments and Policy

As part of a broader macroeconomic reform and its primary goal of ensuring low and stable inflation, the National Bank of Ethiopia (NBE) has modernized its monetary policy framework. Early July 2024, NBE has moved from monetary aggregate targeting framework to an interest-rate based monetary policy framework.

Under the new policy framework, the policy interest rate —National Bank Rate (NBR), has been applied as the primary means of signaling its policy stance and to guide the 7-day interbank interest rate (operational target) through which it affects other market rates, ultimately influencing broader monetary and credit conditions.

Moreover, following the implementation of new monetary policy framework, NBE has implemented indirect monetary policy instruments such as Open Market Operations (OMOs) and Standing Facilities (SFs) to enhance the effectiveness of monetary policy transmission. In addition, the interbank money market has been introduced.

During the review period, NBE maintained its tight monetary policy stance, resulting in a significant decline in inflation.

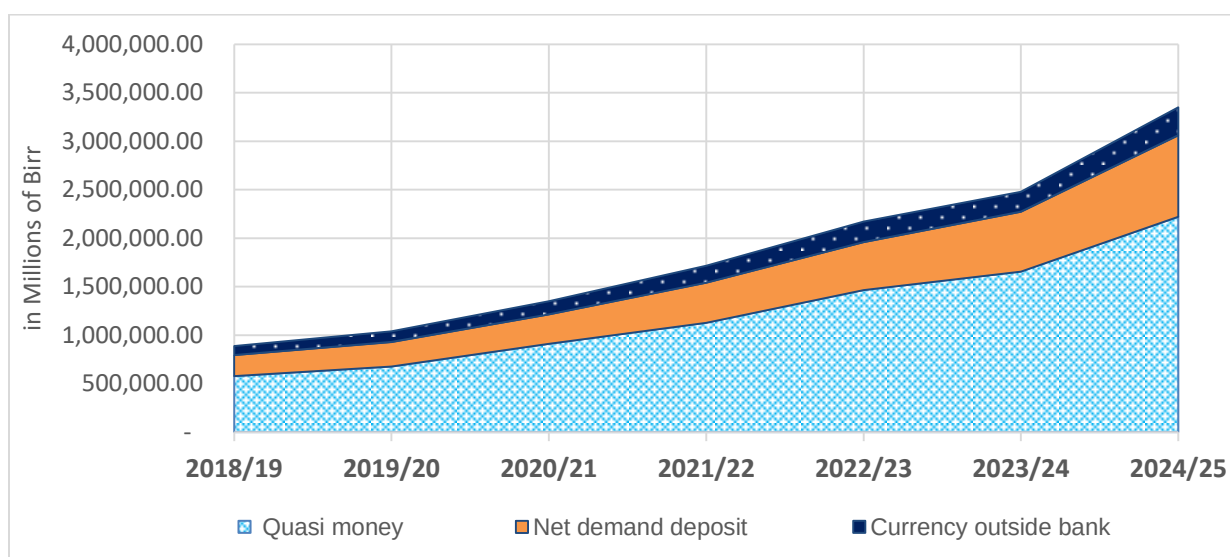
4.1.1 Developments in Monetary Aggregates

At the end of 2024/25, domestic liquidity, as measured by broad money supply (M2), reached Birr 3.3 trillion reflecting a 35.2 percent annual growth². This was primarily driven by a 23.2 percent rise in domestic credit and a 13.8 percent increase in external assets (net), which offset the 250.9 percent annual decline in other items (net). The growth in domestic credit is attributed to a 112.8 percent surge in credit to the central government while credit to the non-central government slowed down by 9.7 percent (Table 4.1).

² Excluding accrued interest on loans and corporate bonds linked to CBE's recapitalization, broad money supply recorded an annual growth of 26.1 percent in FY 2024/25.

Table 4.1: Factors Influencing Broad Money*(Value in millions of Birr)*

Particulars	Year Ended June 30				Annual Change	Percentage
	2021/22	2022/23	2023/24	2024/25	2023/24	2024/25
External Assets (net)	-111,427.5	-160,097.7	-245,298.39	-211,457.3	-53.2	13.8
Domestic Credit	1,930,621.8	2,444,435.5	2,797,752.1	3,448,089.5	14.5	23.2
Claims on Central Gov't (net)	422,864.0	573,675.7	745,541.1	1,586,725.9	30.0	112.8
Claims on Non-Central Gov't	1,507,757.8	1,870,759.8	2,052,211.0	1,861,363.5	9.7	-9.3
Other Items (net)	103,884.2	113,489.4	74,561.8	-112,527.4	-34.3	-250.9
Broad Money (M2)	1,715,310.0	2,170,848.4	2,477,891.2	3,349,159.6	14.1	35.2

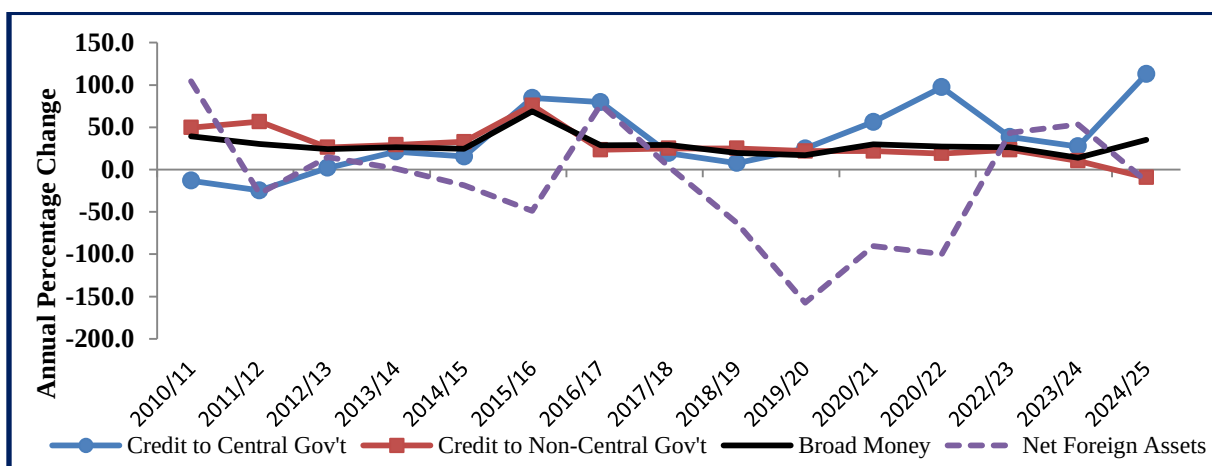
*Source: NBE***Fig IV.1: Major Components of Broad Money (in Millions of Birr)***Source: NBE*

Component analysis shows that narrow money grew by 37.3 percent, driven by higher demand deposits and currency outside banks, reflecting the growth in economic activities and the upsurge in money demand for transactions. Quasi-money, comprising savings and time deposits, expanded by 34.1 percent to Birr 2.22 trillion. Its contribution outweighed that of net demand deposits and currency outside banks, owing to improved deposit mobilization capacity of commercial banks (Table 4.2).

Table 4.2: Components of Broad Money

Particulars	Year Ended June 30			Annual Percentage Change	
	2022/23	2023/24	2024/25	2023/24	2024/25
Narrow Money Supply	706,142.2	822,498.6	1,128,963.8	16.5	37.3
<i>Currency Outside Banks</i>	211,636.8	205,441.3	289,236.6	-2.9	40.8
<i>Demand Deposits (net)</i>	494,505.4	617,057.3	839,727.3	24.8	36.1
Quasi-Money	1,464,706.2	1,655,417.6	2,220,195.7	13.0	34.1
<i>Savings Deposits</i>	1,315,260.4	1,461,904.1	1,976,712.2	11.1	35.2
<i>Time Deposits</i>	149,445.8	193,513.5	243,483.5	29.5	25.8
Broad Money Supply	2,170,848.4	2,477,891.9	3,349,159.6	14.1	35.2

Source: NBE

Fig.IV.2: Major Determinants of Monetary Growth

Source: NBE

4.1.2. Developments in Reserve Money and Monetary Ratios

During the year under review, reserve money or base money surged by 66.4 percent and reached Birr 787.3 billion at the end of 2024/25. The surge in base money was attributed to 104.0 percent rise in deposits of banks at NBE, and currency in circulation (34.8 percent). Component-wise, the increase in reserve money was largely driven by the rise in other items net, primarily linked to NBE's gold purchase operation. In contrast, domestic credit declined due to the termination of direct advance to the government during the review period. Excess reserves of commercial banks reached Birr 181.5 billion at the end of June 2024/25 from Birr 61.2 billion a year ago.

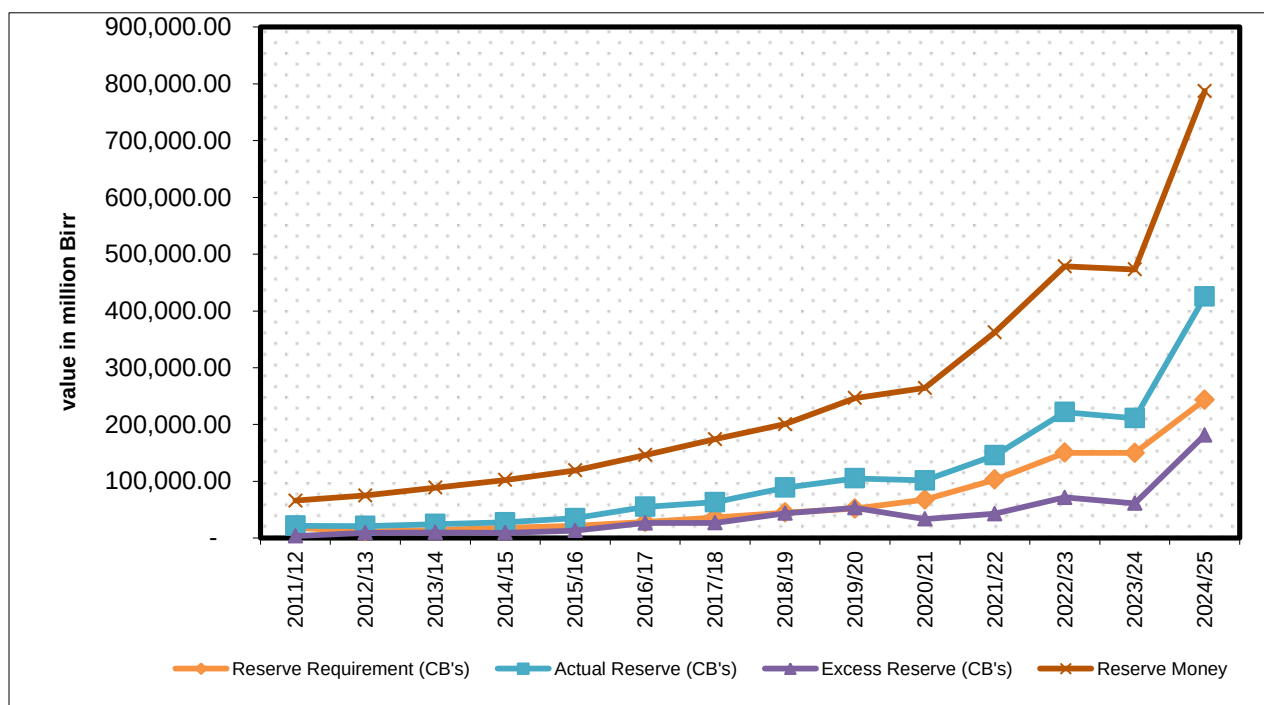
The ratio of broad money supply (M_2) to GDP³, an indicator of financial deepening, went up by 5.6 percent (year-on-year) and reached 0.22, partly indicating a tight monetary policy measure taken to mitigate the inflationary pressure during the review period. The money multiplier, defined as broad money to reserve money ratio reached 4.3 from 5.2 registered last year at the same period, implying that money is relatively created by National Bank rather than commercial banks (Table 4.3).

Table 4.3: Reserve Money and Monetary Ratios

Particulars	Year Ended June 30			Annual Change	Percentage
	2022/23	2023/24	2024/25	2023/24	2024/25
Reserve Requirement (CB's)	147,931.4	149,916.9	243,611.9	1.3	62.5
Actual Reserve (CB's)	221,837.7	211,215.4	425,141.3	-4.8	101.3
Excess Reserve (CB's)	73,906.3	61,298.4	181,529.3	-17.1	196.1
Reserve Money	478,471.7	473,223.2	787,343.0	-1.1	66.4
Currency in Circulation	254,316.1	257,296.3	346,920.9	1.2	34.8
Bank Deposits	224,155.7	215,926.9	440,422.1	-3.7	104.0
Money Multiplier (Ratio):					
Narrow Money to Reserve Money	1.5	1.7	1.4	17.6	-17.6
Broad Money to Reserve Money	4.5	5.2	4.3	15.4	-18.8
Other Monetary Ratios (%):					
Currency to Narrow Money	30.0	25.0	30.7	-16.6	23.0
Currency to Broad Money	9.8	8.3	10.4	-15.0	24.9
Narrow Money to Broad Money	32.5	33.2	33.7	2.0	1.5
Quasi Money to Broad Money	67.5	66.8	66.3	-1.0	-0.8
M2/GDP Ratio*	0.25	0.21	0.22	-15.5	5.6

Source: NBE

³ The 2024/25 GDP is measured at current market price obtained from MoNP.

Fig.IV.3: Reserve Money

Source: NBE

4.2. Developments in Interest Rate

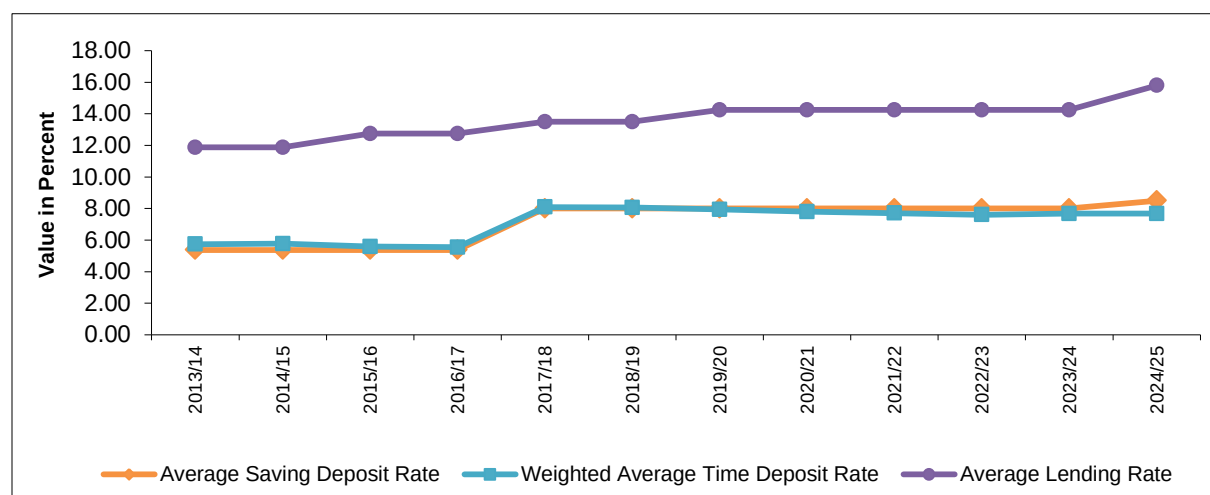
NBE has introduced the policy rate or National Bank Rate (NBR), as the primary means of signaling its policy stance and guiding the 7-day interbank interest rate (operational target) through which it affects other market rates and ultimately influencing broader monetary and credit conditions. During the review period, NBE held its policy interest rate (NBR) at 15.0 percent. Consequently, interest rates on the standing lending facility (SLF) and standing deposit facility (SDF) stood at 18.0 percent and 12.0 percent, respectively. Accordingly, at the end of 2024/25, the 7-day interbank market weighted average rate was 17.0 percent which was within the NBE's interest rate corridor.

Moreover, the minimum interest rate remained at 7 percent while the maximum saving deposit increased to 9 percent. Subsequently, the average saving deposit rate stood at 8.0 percent. The weighted average demand deposit rate and the weighted average time deposit rate showed slight increase to 0.01 from 0.05 and 7.7 percent from 7.6 percent a year earlier. The simple average lending interest rate surged to 15.8 percent.

Consequently, commercial banks' real lending interest rates become positive while the real deposit interest rate remained negative given 13.9 percent headline inflation at the end of 2024/25 (Table 4.4).

Table 4.4: Interest Rates**(In percent per annum)**

Particulars	2020/21	2021/22	2022/23	2023/24	2024/25
1. National Bank Rate (NBR)					15.0
2. Interbank Rate (7-day Weighted Average)					17.0
3. Deposit Rate					
3.1 Savings Deposit (Simple Average)	8.0	8.0	8.0	8.0	8.0
<i>Minimum</i>	7.0	7.0	7.0	7.0	7.0
<i>Maximum</i>	9.0	9.0	9.0	9.0	9.0
3.2 Time deposit (Weighted Average)	7.8	7.7	7.6	7.7	7.7
<i>Up to 1 year</i>	7.8	7.7	7.6	7.6	7.7
<i>1 -2 years</i>	7.8	7.7	7.6	7.7	7.7
<i>Over 2 years</i>	7.9	7.8	7.7	7.7	7.8
3.3 Demand Deposit (Weighted Average)	0.0	0.0	0.1	0.1	0.1
4. Lending Rate (Average)	14.3	14.3	14.3	14.3	15.8
<i>Minimum</i>	7.0	7.0	7.0	7.0	7.0
<i>Maximum</i>	21.5	21.5	21.5	21.5	24.5
5. T-bills (Nominal)	8.0	9.6	9.7	9.7	13.4
6. Headline Inflation (Year-on Year)	24.5	34.7	29.3	19.9	13.9
7. Real Rate of Interest on:					
7.1 Saving Deposit (3.1 - 6)	-16.5	-26.7	-21.3	-11.9	-5.9
7.2 Time Deposit (3.2 - 6)	-16.7	-27.0	-21.7	-12.2	-6.2
7.3 Lending (4 - 6)	-10.3	-20.5	-15.1	-5.7	1.9

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

Source: NBE

4.3 Developments in Financial Sector

Banks, insurance companies and micro-finance institutions constitute the major financial institutions in Ethiopia. As of June 2024/25, the number of banks reached 32, insurance companies 18 and micro finance institutions 57.

Banks opened 312 new branches in 2024/25 thereby raising the total number of branches to 12,590 from 12,278 a year ago. As a result, one bank branch serves about 8,868⁴ people. About 30.1 percent of bank branches were located in Addis Ababa.

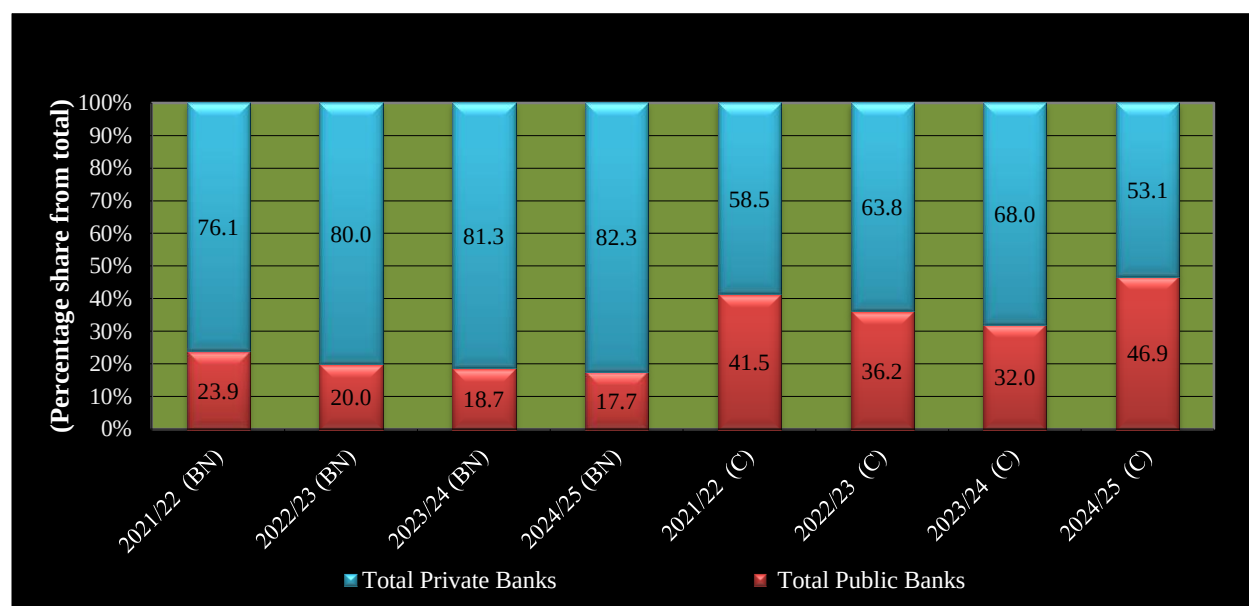
Major branch expansion was undertaken by Siinqee Bank (63 branches), followed by Omo Bank (51 branches), Awash Bank (39 branches), Tsedey Bank (38 branches) and Hijra Bank (31 branches). Contrary to branch expansion, the following banks closed branches due to their specific reasons; Commercial Bank of Ethiopia (55 branches), Buna Bank (18 branches), Nib International Bank (16 branches), Berhan Bank (11 branches) and Oromia Bank (10 branches). Thus, the share of private banks in total branch network slightly rose to 82.3 percent from 81.3 percent last year (Table 4.5).

Due to the recapitalization of the Commercial Bank of Ethiopia, the banking industry's total capital increased 55.6 percent to Birr 460.8 billion (Table 4.5).

⁴ Total population is **111,652,998** as ESS Projection for 2025.

Unlike banks the number of insurance companies remained at 18, while their branches rose to 839 following the opening of 40 new branches. About 56.9 percent of insurance branches were found in Addis Ababa and 88.8 percent of the total branches were private. Their total capital increased by 26.3 percent to Birr 28.3 billion, of which, the share of private insurance companies was 84.8 percent and the remaining 15.2 percent public (Table 4.6).

Fig.IV.5: Branch Network (BN) and Capital(C) of Banking System (2021/22-2024/25)



Source: Commercial Banks including DBE

Table 4.5: Branch Network and Capital of the Banking System at the Close of June 30, 2025 *(Branch in Number and Capital in Millions of Birr)*

Banks	Branch Network								Capital			
	2023/24				2024/25				2023/24		2024/25	
	Regions	Addis Ababa	Total	% Share	Regions	Addis Ababa	Total	% Share	Total Capital	% Share	Total Capital	% Share
1. State owned Banks												
Commercial Bank of Ethiopia	1705	480	2185	17.8	1681	449	2130	16.9	62,470.5	21.1	182,171.5	39.5
Development Bank of Ethiopia	99	6	105	0.9	98	6	104	0.8	32,405.0	10.9	33,727.7	7.3
Total State owned Banks	1804	486	2290	18.7	1779.0	455.0	2234.0	17.7	94,875.6	32.0	215899.2	46.9
2. Private Banks												
Awash Bank	657	305	962	7.8	696	305	1001	8.0	27,141.6	9.2	37,098.6	8.1
Dashen Bank	630	279	909	7.4	650	282	932	7.4	19,166.5	6.5	23,413.5	5.1
Bank of Abyssinia	667	308	975	7.9	675	309	984	7.8	17,579.0	5.9	19,433.0	4.2
Wegagen Bank	307	153	460	3.7	322	154	476	3.8	7,536.9	2.5	9,702.4	2.1
Hibret Bank	272	236	508	4.1	277	234	511	4.1	9,570.6	3.2	11,292.2	2.5
Nib International Bank	236	222	458	3.7	239	203	442	3.5	10,107.0	3.4	10,379.2	2.3
Cooperative Bank of Oromia	590	187	777	6.3	596	184	780	6.2	14,723.1	5.0	15,798.5	3.4
Lion International Bank	238	91	329	2.7	259	96	355	2.8	3,985.8	1.3	4,884.5	1.1
Oromia Bank	392	177	569	4.6	390	169	559	4.4	8,621.0	2.9	9,362.7	2.0
Zemen Bank	47	74	121	1.0	48	83	131	1.0	9,619.1	3.2	12,562.8	2.7
Buna Bank	312	168	480	3.9	310	152	462	3.7	5,902.5	2.0	6,313.8	1.4
Berhan Bank	227	182	409	3.3	228	170	398	3.2	4,751.9	1.6	6,390.5	1.4
Abay Bank	384	168	552	4.5	391	169	560	4.4	7,915.1	2.7	9,097.6	2.0
Addis International Bank	78	80	158	1.3	88	81	169	1.3	2,487.6	0.8	3,063.5	0.7
Debub Global Bank	101	139	240	2.0	106	141	247	2.0	3,111.7	1.1	5,752.6	1.2
Enat Bank	130	73	203	1.7	142	77	219	1.7	3,680.5	1.2	4,702.2	1.0
Hijra Bank	73	25	98	0.8	96	33	129	1.0	1,521.1	0.5	1,984.8	0.4
Zamzam Bank	57	47	104	0.8	74	41	115	0.9	2,118.4	0.7	2,712.3	0.6
Goh Betoch Bank	4	4	8	0.1	8	11	19	0.2	1,629.7	0.6	1,689.5	0.4
Siinqee Bank	338	70	408	3.3	388	83	471	3.7	8,886.9	3.0	9,761.0	2.1
Tseday Bank	481	60	541	4.4	510	69	579	4.6	11,331.3	3.8	12,051.3	2.6
Shebele Bank	30	4	34	0.3	34	4	38	0.3	789.1	0.3	2,253.7	0.5
Amahara Bank	198	126	324	2.6	205	124	329	2.6	6,683.3	2.3	7,903.4	1.7
Ahadu Bank	45	56	101	0.8	45	58	103	0.8	1,036.1	0.3	1,218.7	0.3
Tsehay Bank	55	39	94	0.8	55	40	95	0.8	1,340.7	0.5	1,666.5	0.4
Sidama Bank S.C	34	4	38	0.3	43	6	49	0.4	997.5	0.3	1,184.2	0.3
Omo Bank S.C			0	0.0	46	5	51	0.4	922.0	0.3	2,945.7	0.6
Gadaa Bank	55	36	91	0.7	65	40	105	0.8	1,071.9	0.4	1,449.3	0.3
Ramis Bank S.C	30	7	37	0.3	39	8	47	0.4	692.9	0.2	851.1	0.2
Siket bank									6,314.0	2.1	8,008.8	1.7
Total Private Banks	6,668	3,320	9,988	81.3	7,025	3,331	10,356	82.3	201,235.0	68.0	244,927.8	53.1
3. Grand Total Banks	8,472	3,806	12,278	100	8,804	3,786	12,590	100.0	296,110.6	100.0	460,827.1	100.0

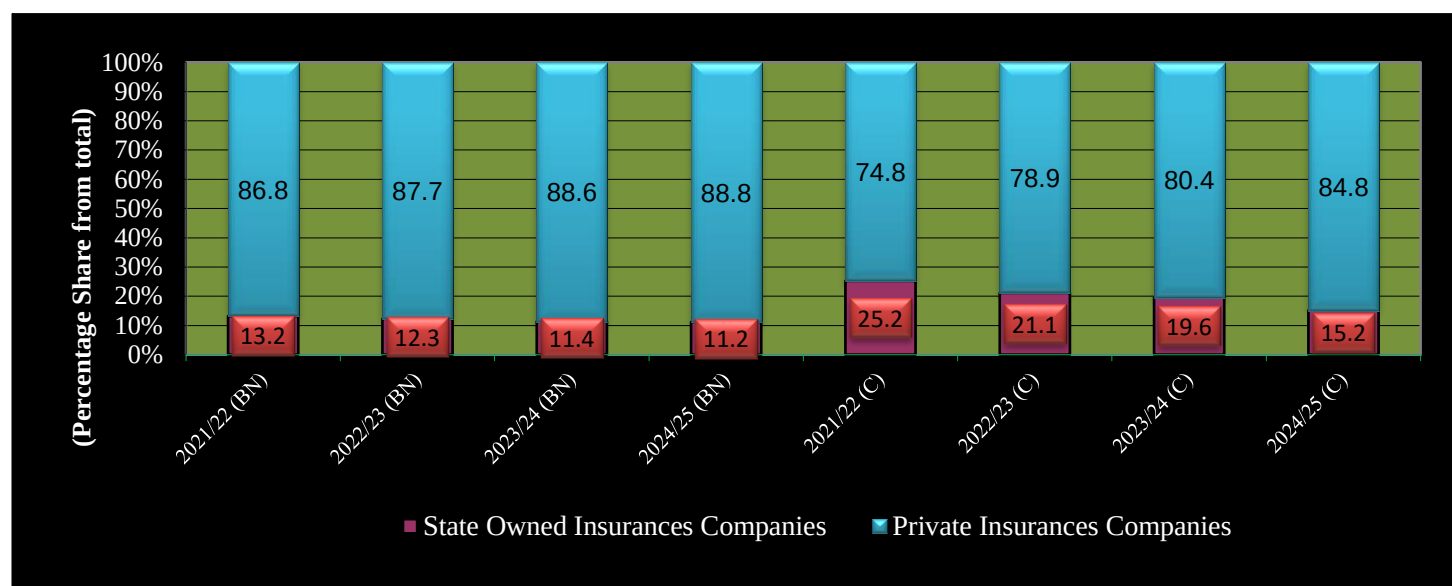
Source: Commercial Banks & DBE

Table 4.6: Branch Network & Capital of Insurance Companies as at June 30, 2025*(Branch in Number and Capital in Millions of Birr)*

No.	Insurance Companies	Branch						Capital		
		2023/24			2024/25			2023/24	2024/25	% Change
		A.A	Regions	Total	A.A	Regions	Total	A	B	B/A
1	Ethiopian Ins. Cor.	25	66	91	26	68	94	4,378	4,294	-1.9
2	Awash Ins.Com.S.C.	32	32	64	34	32	66	3,341	4,341	29.9
3	Africa Ins.Com S.C.	20	15	35	21	15	36	676	937	38.6
4	National Ins. Co. of Eth.	25	17	42	28	17	45	508	600	18.1
5	United Ins.Com. S.C	34	17	51	37	19	56	1,798	2,220	23.5
6	Global Ins. Com.S.C	13	9	22	15	9	24	354	456	28.8
7	Nile Ins.Com.S.C	37	24	61	37	24	61	1,597	1,948	22.0
8	Nyala Ins.Com.S.C	20	20	40	20	21	41	1,975	2,535	28.4
9	Nib Ins. Com.S.C	31	16	47	31	16	47	1,364	1,839	34.8
10	Lion Ins. Com.S.C	20	23	43	20	24	44	710	1,061	49.4
11	Ethio-Life Ins.Com.S.c	23	8	31	26	8	34	438	570	30.1
12	Oromia Ins.Com.S.c	29	32	61	29	32	61	1,837	2,629	43.1
13	Abay Insurance	23	17	40	27	21	48	886	1,188	34.1
14	Berhan insurance S.C	20	9	29	20	12	32	528	741	40.3
15	Tsehay Insurance S.C	26	12	38	29	12	41	687	792	15.3
16	Lucy Insurance	29	8	37	31	10	41	302	375	24.2
17	Bunna Insurance S.C.	23	15	38	23	15	38	512	1,063	107.6
18	Zemen Insurance S.C.	22	7	29	23	7	30	484	668	38.0
	Total	452	347	799	477	362	839	22,375.0	28,257.0	26.3

Source: Insurance Companies

Note: A.A=Addis Ababa

Fig.IV.6: Branch Network and Capital of Insurance Companies (2021/22-2024/25)

Source: Insurance Companies

By end of 2024/25, the number of micro-finance institutions (MFIs) reached 57. Their total capital increased by 39.9 percent and their total asset by 36.0 percent.

At the same time, their deposit mobilization and credit facility expanded. Compared to last year, their deposit went up by 33.2 percent and reached Birr 41.8 billion while their outstanding credit rose 23.4 percent to Birr 48.9 billion indicating their expanded outreach (Table 4.7).

Table 4.7: Microfinance Institutions Performance as of June 30, 2025 (In thousands of birr)

Particulars	2023/24	2024/25	% Change
	A	B	C= B/A
Total Capital	11,399,991.6	15,949,575.3	39.9
Saving	31,374,095.6	41,777,865.9	33.2
Credit	39,650,424.8	48,946,431.7	23.4
Total Assets	60,095,189.3	81,703,026.5	36.0

Source: MFIs

4.3.1 Resource Mobilization

Total resources mobilized by the banking system in the form of deposit, borrowing and loan collection increased by 86.5 percent and reached Birr 1.6 trillion at the end of 2024/25 (Table 4.8).

Aided by technology, deposit liabilities of the banking system topped Birr 3.5 trillion, reflecting 40.7 percent annual growth. Saving deposits increased by 35.6 percent, demand deposit by 53.2 percent and time deposit increased by 26.8 percent. Of the total deposits, saving deposits accounted for 57.1 percent, demand deposits 35.7 percent and time deposit 7.2 percent (Table 4.9).

The share of private banks in total deposit mobilization raised 51.8 percent meanwhile that of public banks 48.2 percent. CBE alone mobilized 48.1 percent of the total deposits due to its extensive branch network.

Raising funds through borrowing by the banking system remained insignificant as most of the banks were sufficiently liquid due to increased deposit mobilization and collection of loans. Their total outstanding borrowing at the end of the fiscal year was Birr 131.6 billion, slightly up from Birr 130.2 billion a year earlier. Of the total borrowing, domestic sources accounted for 70 percent and foreign sources 30 percent. The net borrowing in 2024/25 was Birr 1.4 billion (Table 4.8 & 4.9).

Moreover, banks collected Birr 632.5 billion in 2024/25, showing a 39.3 percent annual increment. Private banks collected 59.5 percent of the loans previously disbursed (Table 4.8).

Table 4.8: Annual Resource Mobilization & Disbursing Activities of Commercial Banks and DBE (Specialized Bank) as at June 30, 2025
(In millions of birr)

Particulars	2022/23			2023/24			2024/25			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)	164,146.8	296,342.8	460,489.6	119,927.3	211,129.9	331,057.2	515,544.8	499,875.7	1,015,420.4	120.5	206.7
Demand	45,059.5	72,075.4	117,135.0	63,857.7	70,382.3	134,240.0	235,058.0	200,647.0	435,705.0	272.0	224.6
Savings	117,549.8	188,920.5	306,470.4	58,622.6	96,383.6	155,006.2	274,088.8	252,369.5	526,458.3	71.8	239.6
Time	1,537.4	35,346.9	36,884.3	(2,553.0)	44,364.0	41,811.0	6,398.0	46,859.2	53,257.2	44.4	27.4
2. Borrowing (net change)	22,788.9	-	22,788.9	21,310.4	-	21,310.4	1,422.6	-	1,422.6	(93.8)	(93.3)
Local	16,053.3	-	16,053.3	12,632.0	-	12,632.0	(2,983.9)	-	(2,983.9)	(118.6)	(123.6)
Foreign	6,735.5	-	6,735.5	8,678.4	-	8,678.4	4,406.4	-	4,406.4	(34.6)	(49.2)
3. Collection of Loans	142,098.0	258,905.5	401,003.4	179,034.4	275,053.6	454,088.1	255,883.9	376,577.4	632,461.2	57.7	39.3
4. Total Resources Mobilized (1+2+3)	329,033.6	555,248.3	884,282.0	320,272.1	486,183.6	806,455.7	772,851.2	876,453.0	1,649,304.2	86.5	104.5
5. Disbursement	160,127.0	387,549.7	547,676.7	223,528.1	237,960.7	461,488.8	437,533.7	385,282.6	822,816.3	50.2	78.3
6. Change in Liquidity (4-5)	168,906.7	167,698.6	336,605.3	96,744.1	248,222.8	344,966.9	335,317.5	491,170.4	826,487.9	145.5	139.6
Memorandum Item:											
7. Outstanding Credit	948,485.2	1,002,084.6	1,950,569.8	1,029,119.0	1,119,132.1	2,148,251.1	614,464.6	1,326,892.4	1,941,357.0	(0.5)	(9.6)

Source: commercial banks and DBE

Table 4.9: Deposits and Borrowings of Commercial Banks and Specialized Bank as at June 30, 2025

(In Millions of Birr)

Particulars	2022/23	2023/24	2024/25	% Change	
	A	B	C	D=B/A	E=C/B
A. Deposits					
-Demand	685,495.1	819,735.1	1,255,440.0	19.6	53.2
-Savings	1,323,382.9	1,478,389.1	2,004,847.5	11.7	35.6
-Time	156,641.1	198,452.2	251,709.3	26.7	26.8
T o t a l	2,165,519.2	2,496,576.4	3,511,996.8	15.3	40.7
B. Borrowings					
-Local	82,509.6	95,141.6	92,157.7	15.3	-3.1
-Foreign	26,352.3	35,030.8	39,437.2	32.9	12.6
T o t a l	108,862.0	130,172.3	131,594.9	19.6	1.1

Source: Commercial Banks & DBE

Table 4.10: Loans and Advances by Lenders (In Millions of Birr)

Lenders	2023/24			2024/25			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	191,163.83	163,175.72	936,906.98	415,062.67	232,839.03	513,883.95	117.1	42.7	-45.2
2.Development Bank of Ethiopia	32,364.26	15,858.71	92,212.02	22,471.00	23,044.84	100,580.64	-30.6	45.3	9.1
Sub-Total	223.5	179,034.4	1,029,119.0	437,533.7	255,883.9	614,464.6	95.7	42.9	-40.3
B. Private Banks									
Awash Bank	3970	36829.7	183179.7	59184.6	46854.8	219084.2	49.1	27.2	19.6
Dashen Bank	4348	40941.4	116920.3	59862.7	55684.9	136523.5	37.7	36.0	16.8
Bank of Abyssinia	1717	17410.9	169167.4	21088.5	29433.5	199813.7	22.8	69.1	18.1
Wegagen Bank	9667.	12606.5	45068.3	15808.4	18070.3	53407.1	63.5	43.3	18.5
United Bank	1336	16248.4	69313.3	16363.4	22001.3	78836.8	22.4	35.4	13.7
NibInternationalbank	2489.								
CooperativesBankof Oromia	0	13517.0	48917.8	5637.4	16842.2	44687.0	126.5	24.6	-8.6
LionInternationan bank	2444.								
Zemen Bank	8	24726.5	99018.6	25945.2	29854.3	117299.8	961.2	20.7	18.5
Oromia Bank	5389.								
Berhan Bank	3	5380.6	31891.0	8405.2	8815.3	37739.6	56.0	63.8	18.3
Buna International Bank	8908.	8816.8	36234.3	11332.8	11033.6	42318.0	27.2	25.1	16.8
Abay Bank	5630.	10697.9	43562.6	7652.5	11823.8	45262.7	35.9	10.5	3.9
Addis International Bank	7685.	11189.9	30328.4	11200.7	12040.4	35371.3	45.7	7.6	16.6
Debub Global Bank	4251.								
Enat Bank	9	5524.1	37938.5	3964.7	7104.9	40767.0	-6.8	28.6	7.5
ZemZem Bank	9535.	6950.6	40340.1	10212.8	9803.8	47354.7	7.1	41.0	17.4
Hijira Bank									
Goh Betoeh Bank	942.6	1627.7	8673.5	1515.2	1926.2	9770.1	60.7	18.3	12.6
Tseday Bank	3015.	3472.6	15963.8	4280.2	3611.5	20397.3	42.0	4.0	27.8
Shebelle Bank	2436.	3043.9	17495.5	2335.4	3529.5	20948.1	-4.2	16.0	19.7
Siinqee Bank	3195.	3267.8	4536.4	5244.3	4686.1	6561.7	64.1	43.4	44.6
Amhara Bank	2926.	2949.5	3409.1	5210.7	5252.3	4769.3	78.1	78.1	39.9
Sidama Bank	257.1	233.0	1551.8	172.7	313.8	1672.0	-32.8	34.6	7.7
Omo Bank	2247	21426.1	41683.4	24328.9	24187.8	45560.3	8.2	12.9	9.3
Tsehay Bank	560.5	565.8	1934.3	483.1	624.1	1807.6	-13.8	10.3	-6.5
Ahadu Bank	1520	16562.6	28065.9	48974.0	31048.0	56730.6	222.1	87.5	102.
Gadaa Bank	6185.	4448.6	20372.1	11896.6	10368.4	26064.1	92.3	133.1	27.9
Siket Bank	800.7	565.6	1085.4	2109.8	1128.5	2416.5	163.5	99.5	122.
Rammis Bank	3565.	3363.2	6431.1	3812.4	4063.0	6646.5	6.9	20.8	3.3
Sub-Total	237,9	275,053.6	1,119,132.1	385,282.6	376,577.4	1,326,892.4	61.9	36.9	18.6
Grand Total	461,4	454,088.1	2,148,251.1	822,816.3	632,461.2	1,941,357.0	78.3	39.3	-9.6

Source: Commercial Banks

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

4.3.2 New Lending Activities

Commercial banks and Development Bank of Ethiopia (DBE) disbursed Birr 822.8 billion in fresh loans which was 78.3 percent higher than a year ago (Table 4.10). Of the total new loans, about 46.8 percent was disbursed by private banks and 53.2 percent by state owned banks (i.e. CBE and DBE) (Table 4.11). Sector wise, the share of agriculture was (22.3 percent) followed by domestic trade (21.3 percent), international trade (18.2 percent), manufacturing (13.7 percent), financial institutions (8.7 percent), consumer & staff loan (6.7 percent), building & construction (3.8 percent), and the remaining balance was disbursed to other economic sectors (Table 4.12).

Fig.IV.7: Development in Net Deposit, Lending and Loan Collection Activities of the Banking System (2022/23-2024/25)



Source: Commercial Banks and DBE

Table 4.11: Percentage Share of Loans and Advances by Lenders

Lenders	2023/24			2024/25			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	41.4	35.9	43.6	50.4	36.8	26.5	21.8	2.4	(39.3)
2.Development Bank of Ethiopia	7.0	3.5	4.3	2.7	3.6	5.2	(61.1)	4.3	20.7
Sub-Total	48.4	39.4	47.9	53.2	40.5	31.7	9.8	2.6	(33.9)
B.Private Banks									
Awash Bank	8.6	8.1	8.5	7.2	7.4	11.3	(16.4)	(8.7)	32.3
Dashen Bank	9.4	9.0	5.4	7.3	8.8	7.0	(22.8)	(2.3)	29.2
Bank of Abyssinia	3.7	3.8	7.9	2.6	4.7	10.3	(31.1)	21.4	30.7
Wegagen Bank	2.1	2.8	2.1	1.9	2.9	2.8	(8.3)	2.9	31.1
United Bank	2.9	3.6	3.2	2.0	3.5	4.1	(31.3)	(2.8)	25.9
Nib International Bank	0.5	3.0	2.3	0.7	2.7	2.3	27.0	(10.5)	1.1
Cooperatives Bank of Oromia	0.5	5.4	4.6	3.2	4.7	6.0	495.2	(13.3)	31.1
Lion International Bank	1.2	1.2	1.5	1.0	1.4	1.9	(12.5)	17.6	31.0
Zemen Bank	1.9	1.9	1.7	1.4	1.7	2.2	(28.7)	(10.2)	29.2
Oromia Bank	1.2	2.4	2.0	0.9	1.9	2.3	(23.8)	(20.6)	15.0
Berhan Bank	1.7	2.5	1.4	1.4	1.9	1.8	(18.3)	(22.7)	29.1
Buna International Bank	0.9	1.2	1.8	0.5	1.1	2.1	(47.7)	(7.7)	18.9
Abay Bank	2.1	1.5	1.9	1.2	1.6	2.4	(39.9)	1.3	29.9
Addis International Bank	0.2	0.4	0.4	0.2	0.3	0.5	(9.8)	(15.0)	24.6
Debub Global Bank	0.7	0.8	0.7	0.5	0.6	1.1	(20.4)	(25.3)	41.4
Enat Bank	0.5	0.7	0.8	0.3	0.6	1.1	(46.2)	(16.7)	32.5
ZemZem Bank	0.7	0.7	0.2	0.6	0.7	0.3	(8.0)	3.0	60.1
Hijira Bank	0.6	0.6	0.2	0.6	0.8	0.2	(0.1)	27.9	54.8
Goh Betocho Bank	0.1	0.1	0.1	0.0	0.0	0.1	(62.3)	(3.3)	19.2
Tseday Bank	4.9	4.7	1.9	3.0	3.8	2.3	(39.3)	(18.9)	20.9
Shebelle Bank	0.1	0.1	0.1	0.1	0.1	0.1	(51.7)	(20.8)	3.4
Siinqee Bank	3.3	3.6	1.3	6.0	4.9	2.9	80.6	34.6	123.7
Amhara Bank	1.3	1.0	0.9	1.4	1.6	1.3	7.9	67.3	41.6
Sidama Bank	0.2	0.1	0.1	0.3	0.2	0.1	47.8	43.2	146.4
Omo Bank	0.8	0.7	0.3	0.5	0.6	0.3	(40.0)	(13.3)	14.4
Tsehay Bank	0.4	0.1	0.1	0.2	0.2	0.2	(47.0)	51.1	54.5
Ahadu Bank	0.3	0.1	0.1	0.3	0.1	0.2	3.6	19.7	177.4
Gadaa Bank	0.4	0.2	0.1	0.2	0.2	0.2	(50.2)	6.4	66.6
Siket Bank	0.3	0.2	0.4	0.6	0.4	0.6	98.3	162.4	43.6
Rammis Bank	0.0	0.0	0.0	0.9	0.1	0.1			
Sub-Total	51.6	60.6	52.1	46.8	59.5	68.3	(9.2)	(1.7)	31.2
Grand Total		100.0	100.0	100.0	100.0	100.0			

Source: Commercial Banks

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

4.3.3 Outstanding Loans

By the end of June 2025, the banking system's outstanding credit dropped by 9.6 percent to Birr 1.94 trillion as a result of the corporate bonds being converted to government bonds. The share of private sector in outstanding credit was 91 percent and that of public sector 9 percent (Table 4.13).

Sector wise, the major recipients of outstanding credit were international trade (Birr 420.5 billion or 21.7 percent), manufacturing (Birr 365.4 Billion or 18.8 percent), domestic trade (Birr 344.3 billion or 17.7 percent), financial institutions (Birr 255.1 billion or 13.1 percent), consumer & staff loans (Birr 218.3 billion or 11.2 percent), agriculture (Birr 166.3 billion or 8.6 percent) (Table 4.12).

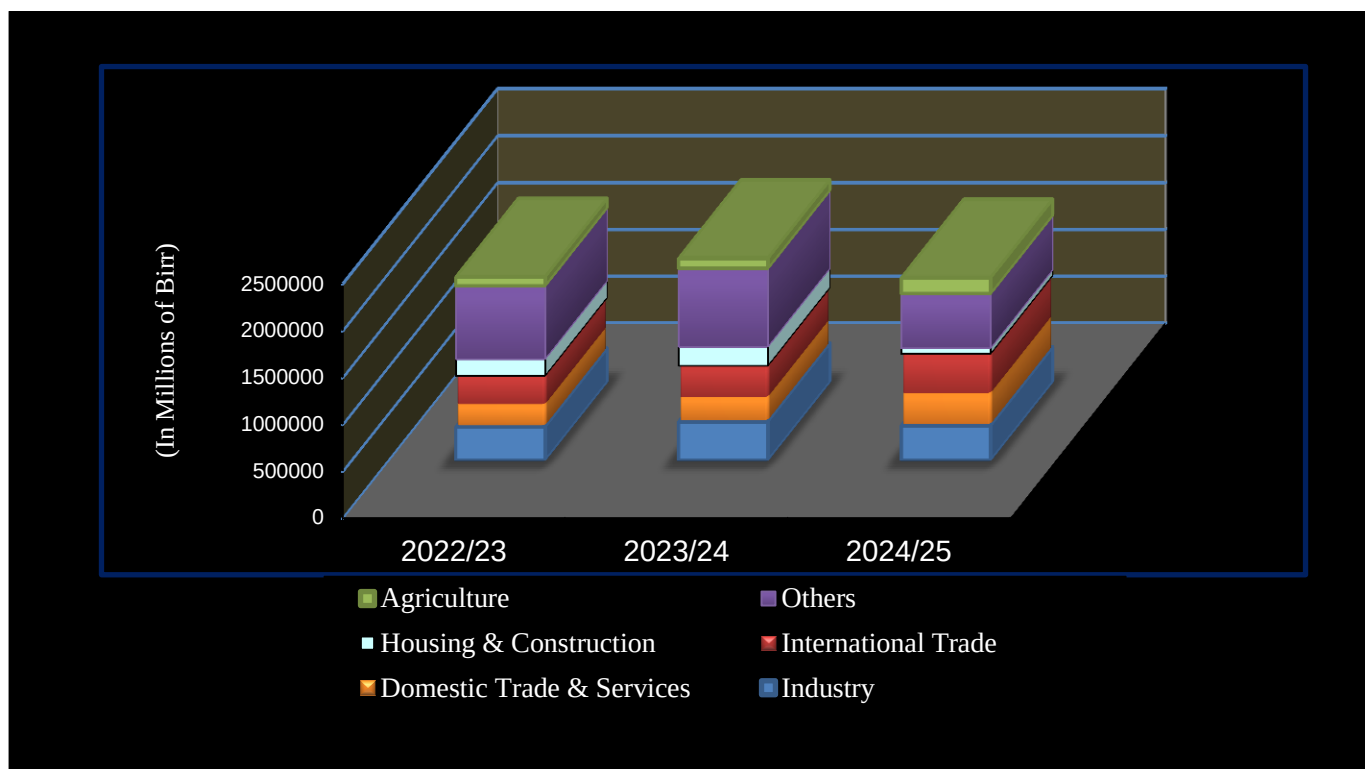
Table 4.12: Loans & Advances by Economic Sectors

(In Millions of Birr)

Economic Sectors	2023/24			2024/25			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
Agriculture	107,232.2	106,530.6	105,128.4	183,596.7	138,123.3	166,255.0	71.2	29.7	58.1
Manufacturing	72,480.3	58,254.1	406,589.0	112,896.7	86,032.1	365,437.3	55.8	47.7	(10.1)
Domestic Trade	86,108.5	85,723.8	261,669.4	175,522.5	134,614.3	344,253.6	103.8	57.0	31.6
International Trade	67,616.3	80,264.4	334,208.7	149,398.2	133,166.9	420,454.1	121.0	65.9	25.8
Export	50,723.9	54,343.9	212,097.3	115,702.3	96,894.8	267,522.5	128.1	78.3	26.1
Import	16,892.4	25,920.5	122,111.4	33,695.9	36,272.1	152,931.6	99.5	39.9	25.2
Hotels and Tourism	7,989.0	8,817.3	43,094.5	8,811.0	12,094.1	47,978.9	10.3	37.2	11.3
Building and Construction	35,026.5	46,245.7	202,480.5	31,648.5	21,439.9	58,745.5	(9.6)	(53.6)	(71.0)
Mines, Power and Water resources	8,196.2	1,434.9	246,759.2	2,414.9	2,254.5	8,939.1	(70.5)	57.1	(96.4)
Financial Institutions	7,773.2	6,935.3	18,958.4	71,867.0	31,924.5	255,077.6	824.6	360.3	1,245.5
Transport and Communication	11,216.7	10,027.6	40,599.7	4,480.1	5,207.1	4,565.2	(60.1)	(48.1)	(88.8)
Health and Education	2,617.7	1,489.0	6,891.1	8,230.2	6,293.9	17,832.9	214.4	322.7	158.8
Consumer and Staff Loans	42,272.2	36,487.5	178,826.5	54,734.5	47,737.4	218,307.6	29.5	30.8	22.1
Other Sectors	12,960.2	11,877.9	303,045.7	19,216.1	13,573.2	33,510.3	48.3	14.3	(88.9)
Total	461,488.8	454,088.1	2,148,251.1	822,816.3	632,461.2	1,941,357.0	78.3	39.3	(9.6)

Source: Commercial Banks & DBE

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

Fig.IV.8: Sectorial Breakdown of Bank Credit (2022/23-2024/25)

Source: Commercial Banks including DBE

Table 4.13: Loans and Advances by Borrowers

(In Millions of Birr)

Borrowing Sector	2021/22	2022/23	2023/24	2024/25			Percentage change	
	O/S*	O/S*	O/S*	D*	C*	O/S*		
	A	B	C	E	F	G	G/B	G/C
Public Enterprises	700,732.7	747,220.6	745,921.7	189,529.5	108,949.9	174,718.3	-76.6	-76.6
Cooperatives	21,398.8	21,148.1	21,343.8	6,832.9	4,453.5	24,584.8	16.3	15.2
Private & Individuals	868,231.5	1,182,201.1	1,380,985.7	626,454.0	519,057.9	1,742,053.9	47.4	26.1
Total	1,590,362.9	1,950,569.8	2,148,251.1	22,816.3	32,461.2	1,941,357.0	0.5	-9.6

Source: Commercial Banks & DBE

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

4.4. Financial Activities of NBE

As of June 2025, gross claims of NBE on the central government reached Birr 675.1 billion, unchanged from the previous year. NBE's outstanding claim on DBE was Birr 30.1 billion which decelerated by 27.1 percent over last year same period.

On the liability side, total deposits at NBE increased by 87.9 percent and stood at Birr 486.7 billion, due to the 104.5 percent surge in deposit by the financial institutions (Table 4.14).

Table 4.14: Financial Activities of National Bank of Ethiopia at the Close of June 30, 2025

(In Millions of Birr)

Particulars	2022/23	2023/24	2024/25	% Change	
	A	B	C	B/A	C/B
Loans and Advances (1+2)	608,814.3	716,443.2	705,243.2	17.7	-1.6
1. Claims on Central Gov't	563,991.5	675,120.4	675,120.4	19.7	0.0
2. Claims on DBE	44,822.7	41,322.7	30,122.7	-7.8	-27.1
3. Deposit Liabilities	266,929.9	258,994.1	486,671.5	-3.0	87.9
3.1 Government	42,691.6	42,867.4	44,697.2	0.4	4.3
3.2 Financial Institutions	224,238.3	216,126.7	441,974.2	-3.6	104.5

Source: NBE

4.5. Developments in Financial Markets

In the absence of secondary market in Ethiopia, government securities were occasionally issued to finance fiscal deficit. Accordingly, commercial banks were mandated to purchase T-bills from their new monthly fresh disbursement until the practice was ended in June 2025. While treasury bills were auctioned on a bi-weekly basis at marketable rate.

4.5.1. Treasury Bills Market

In 2024/25, T-bills supplied to the biweekly auctions amounted to Birr 498.9 billion, reflecting a 63.2 percent annual decline. At the same time, demand for T-bills decreased by 52 percent to Birr 390.6 billion, indicating the market was under-subscribed by Birr 108.3 billion (22 percent). Meanwhile, the amount of T-bills sold reached Birr 384.4 billion, of which Birr 219.3 billion were purchased by banks and the remaining Birr 165.1 billion by non-bank institutions.

Birr 100.7 billion (net of redemption) was mobilized to finance the fiscal deficit through sale of T-bills during the fiscal year.

Thus, total outstanding T-bills fell by 39.2 percent year-on-year to Birr 272.24 billion. Of this amount, banks held Birr 159.5 billion (58.6 percent), while non-bank institutions held Birr 112.8 billion (41.4 percent) (Table 5.15).

The average weighted yield on T-bills increased to 14.5 percent, up from 10 percent the previous year, indicating 44.8 percent annual growth (Table 5.15). The highest yield (15.13 percent) was recorded for the 364-day T-bills, while the lowest (14.12 percent) was observed for the 91-day T-bills.

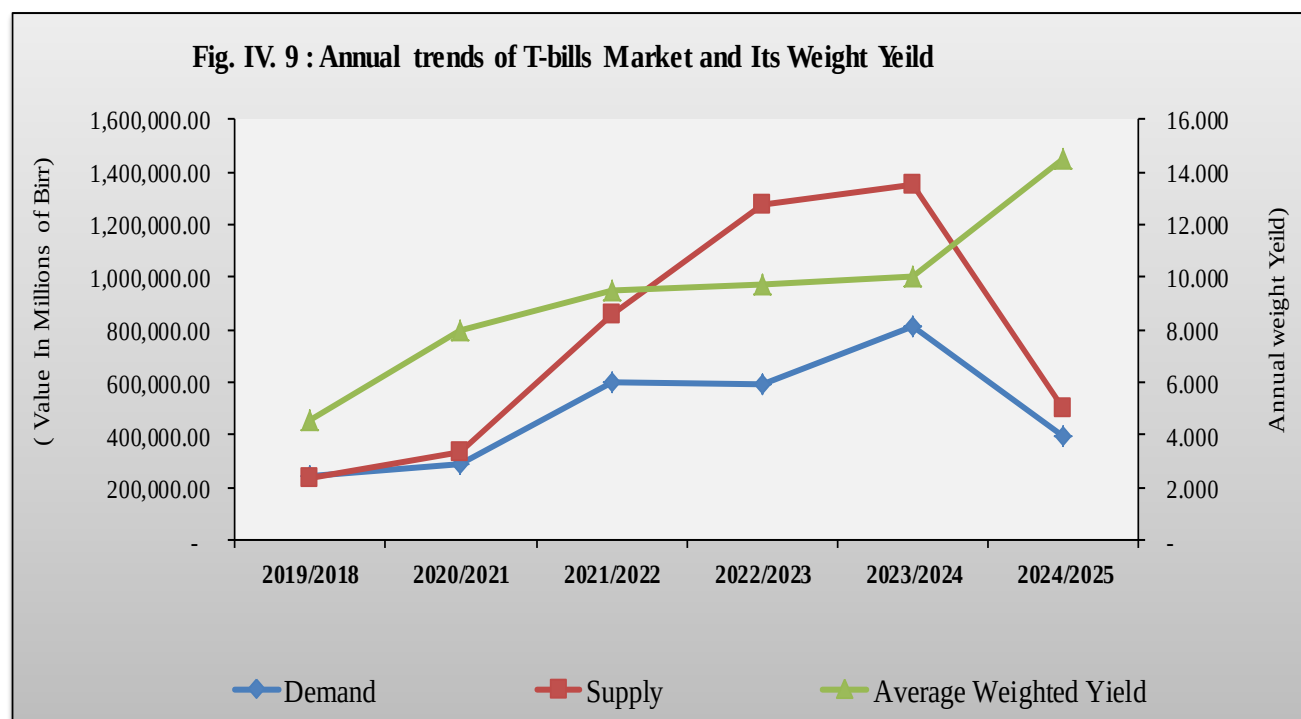
Treasury Particulars	Bill	Annual			Percentage Change	
		2022/23	2023/24	2024/25		
		A	B	C	C/A	C/B
Number of Bidders		634.00	533.00	261.00	(58.83)	(51.03)
Amount Demanded (Mn. Birr)		595,231.34	812,892.09	390,608.31	(34.38)	(51.95)
28-day bill		77,059.00	126,925.00	55,571.62	(27.88)	(56.22)
91-day bill		138,331.14	225,427.56	120,137.63	(13.15)	(46.71)
182-day bill		171,949.92	216,976.91	109,090.09	(36.56)	(49.72)
364-day bill		207,891.28	243,562.63	105,808.97	(49.10)	(56.56)
Amount Supplied (Mn. Birr)		1,278,068.29	1,354,852.17	498,906.83	(60.96)	(63.18)
28-day bill		171,030.00	187,156.78	28,066.21	(83.59)	(85.00)
91-day bill		355,267.56	424,265.54	52,119.06	(85.33)	(87.72)
182-day bill		383,427.14	386,158.25	144,426.71	(62.33)	(62.60)
364-day bill		368,343.59	357,271.60	274,294.85	(25.53)	(23.23)
Amount Sold (Mn. Birr)		576,081.34	797,797.09	384,389.99	(33.28)	(51.82)
Banks		268,255.11	321,319.26	219,250.68	(18.27)	(31.77)
Non-Banks		307,826.24	476,477.83	165,139.31	(46.35)	(65.34)
Redemption (Mn. Birr)		553,781.40	691,863.78	283,674.91	(48.77)	(59.00)
Banks		317,819.34	305,468.06	222,629.68	(29.95)	(27.12)
Non-Banks		235,962.06	386,395.72	61,045.23	(74.13)	(84.20)
Net Amount (Mn. Birr)		22,299.94	105,933.32	100,715.08	351.64	(4.93)
Banks		(49,564.24)	15,851.21	(3,379.00)	93.18	(121.32)
Non-Banks		71,864.18	90,082.11	104,094.08	44.85	15.55

National Bank of Ethiopia

Average Weighted Price for Successful bids (Birr)	95.84		95.72		93.95		(1.98)	(1.85)
28-day bill	99.29		99.23		98.88		(0.41)	(0.35)
91-day bill	97.51		97.59		96.60		(0.94)	(1.02)
182-day bill	95.39		95.26		93.42		(2.07)	(1.93)
364-day bill	91.18		90.81		86.89		(4.71)	(4.31)
Average Weighted Yield for Successful bids(%)	9.74		10.04		14.54		49.20	44.82
28-day bill	9.36		10.12		14.77		57.73	45.97
91-day bill	10.23		9.90		14.12		38.06	42.65
182-day bill	9.68		9.99		14.13		45.92	41.50
364-day bill	9.70		10.15		15.13		55.99	49.05
Outstanding bills at the end of period (Mn.Br.)	341,869.53	Share %	447,802.85	Share %	272,242.20	Share %	(20.37)	(39.20)
Banks	146,568.05	42.87	162,259.26	36.23	159,461.54	58.57	8.80	(1.72)
Non-Banks	195,301.48	57.13	285,543.59	63.77	112,780.66	41.43	(42.25)	(60.50)
Public Servants Social Security Agency	134,327.92	39.29	185,246.00	41.37	43,400.00	15.94	(67.69)	(76.57)
Private Organizations’ Employees Social Security Agency	60,873.56	17.81	93,961.00	20.98	45,878.79	16.85	(24.63)	(51.17)
Other Non-Bank Institutions	100.00	0.03	6,336.59	1.42	23,501.87	8.63	23,401.87	270.89

Source: NBE

Note: The average weighted yield is calculated based on competitive bids



Source: NBE

4.5.2. Bonds Market

In 2024/25, no new corporate bonds were purchased. All outstanding corporate bond balances were either fully settled or converted into government bonds or term loans. As a result, CBE's outstanding corporate bond holdings declined from Birr 555.13 billion to zero as of June 30, 2025.

Table 13: Disbursement, Redemption and Outstanding of Coupon and Corporate Bond of CBE*(In Millions of Birr)*

Particulars	Annual	Annual		Percentage Change
	2022/23	2023/24	2024/25	B/A
	Actual	A	B	
1. Corporate Bond Purchases by holders	27,103.01	12,000.00		
EEP	13,500.00	7,000.00		
Regional governments	0.00	-		
Development Bank of Ethiopia	0.00	-		
City Government of Addis Ababa	5,000.00	5,000.00		
Railway Corporation	8,603.01	-	-	
Private Sector		-	-	-
Liability & Asset Management Corp.	0.00	-	-	-
2. Redemption of Bonds by Clients	25,095.95	14,506.39	555,131.86	3,726.8
EEP		12.09	243,530.72	2,013,647.12
Regional governments	79.39	210.72		
Development Bank of Ethiopia	0.00	-	-	
City Government of Addis Ababa	15,639.54	14,283.58	34,408.64	140.9
Railway Corporation	1,069.09	-	-	
Private Sector		-	-	
Liability & Asset Management Corp.	8,307.93	-	277,192.50	
3. Outstanding Bonds by Clients	567,138.25	555,131.86		
EEP	208,978.05	243,530.71		
Regional governments	210.72	-		
Development Bank of Ethiopia				
City Government of Addis Ababa	43,692.22	34,408.64		
Railway Corporation				
Private Sector				
Liability & Asset Management Corp.	314,257.26	277,192.50	-	

Source: Commercial Bank of Ethiopia

4.5.3. Interbank money market

Interbank money market commenced operations on October 31, 2024, and recorded substantial improvement over the reporting period. The total value of interbank transactions amounted to Birr 824.98 billion, of which Birr 591.29 billion was by seven-day transactions and Birr 233.70 billion by overnight transactions.

A total of 1,880 transactions were executed during the fiscal year, comprising 1,329 seven-day transactions and 551 overnight transactions. Interest rates in the seven-day interbank money market ranged from 12 percent to 18 percent, with a weighted average rate of 16.89 percent.

Similarly, overnight interbank transactions recorded interest rates between 12 percent and 18 percent, with a weighted average interest rate of 16.13 percent. The interest rate was within the money market corridor (NBE rate $\pm$ 3%) i.e. 12 percent and 18 percent.

The observed increase in transaction volumes and sustained market activity indicate strengthening liquidity management practices and growing participation of financial institutions.

V. DEVELOPMENTS IN EXTERNAL SECTOR

5.1 Overall Balance of Payments

The overall balance of payments registered USD 2.8 billion in surplus in 2024/25 compared to USD 1.3 billion deficit a year earlier. This was attributed to narrowed current account deficit and a rise in capital account surplus.

The current account deficit narrowed due to a decrease in merchandise trade deficit and a rise in net surplus of services trade, net private transfers, and official transfers. As a result, current account deficit (including official transfers) ratio to GDP reached 0.2 percent compared to 2.9 percent last year same period.

On the other hand, capital account surplus increased by 28.8 percent mainly due to rise in net surplus of official long-term capital (105.9 percent), foreign direct investment (2.7 percent), private sector long term capital (169 percent) and a shift in net deficit of other public-sector long-term capital from USD 219.2 million to USD 450.8 million surplus in FY2024/25 (Table5.1).

Table 5.1: Balance of Payments¹

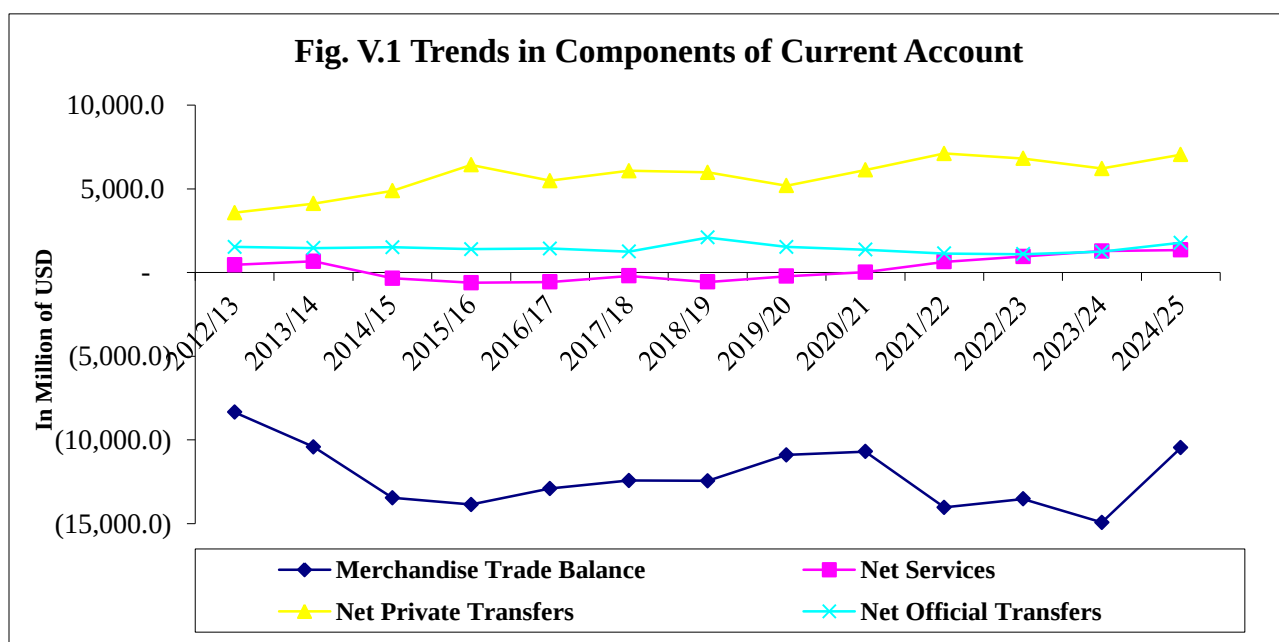
(In Millions of USD)

S/N	Particulars	2022/23	2023/24 ^R	2024/25 ^P	Percentage Change	
		A	B	C	B/A	C/B
1	Exports, f.o.b.	3,624.3	3,798.7	8,347.2	4.8	119.7
	Coffee	1,340.2	1,430.8	2,665.1	6.8	86.3
	Other	2,284.1	2,367.9	5,682.1	3.7	140.0
2	Imports	17,148.5	18,721.7	18,793.5	9.2	0.4
	Fuel	3,966.5	3,608.7	3,387.3	-9.0	-6.1
	Cereals	1,038.7	678.6	705.3	-34.7	3.9
	Aircraft	164.0	903.0	1,260.3	450.7	39.6
	Imports excl. fuel, cereals, aircraft	11,979.3	13,531.4	13,440.6	13.0	-0.7
3	Trade Balance (1-2)	-13,524.3	-14,923.1	-10,446.3	10.3	-30.0
4	Services, net	950.1	1,278.0	1,342.2	34.5	5.0
	Non-factor services, net	1,399.1	1,610.4	1,514.6	15.1	-6.0
	Exports of non-factor services	7,174.1	7,865.9	8,212.0	9.6	4.4
	Imports of non-factor services	5,775.0	6,255.5	6,697.4	8.3	7.1
	Income, net	-449.0	-332.4	-172.4	-26.0	-48.1
	o/w Gross official int. payment	504.9	430.0	415.9	-14.8	-3.3
	Dividend, net	-1.6	-1.3	-0.2		
5	Private transfers, net	6,807.9	6,211.1	7,037.2	-8.8	13.3
	o/w: Private Individuals	4,657.7	5,443.5	6,014.3	16.9	10.5
6	Current account balance excluding off. Transfers (3+4+5)	-5,766.3	-7,434.0	-2,066.9	28.9	-72.2
7	Official transfers, net	1,093.3	1,236.4	1,777.6	13.1	43.8
8	Current account balance including official transfers (6+7)	-4,672.9	-6,197.5	-289.3	32.6	-95.3
9	Capital account	3,547.3	4,128.3	5,316.6	16.4	28.8
	Off. Long-term Cap., net	546.5	631.2	1,299.8	15.5	105.9
	Disbursements	975.6	1,125.4	1,853.8	15.4	64.7
	Amortization	429.2	494.2	554.0	15.2	12.1
	Other pub. long-term cap.	-390.5	-219.2	450.8	-43.9	-305.7
	Private sector, long term	101.0	72.7	195.7	-28.0	169.0
	Foreign Direct Investment(net)	3,428.0	3,905.8	4,011.8	13.9	2.7
	Short-term Capital	-137.7	-262.2	-641.5	90.4	144.6
10	Errors and Omissions [11-(9+8)]*	373.6	721.3	-2,197.2		
11	Overall balance (-13)	-752.0	-1,347.9	2,830.0		
12	Financing (13+16)	752.0	1,347.9	-2,830.0		
13	Reserves [Increase(-), Decrease (+)] (14+15)	752.0	1,347.9	-2,830.0		
14	Central Bank (NFA)	887.5	1,534.9	-1,305.2		
	Asset	469.2	-403.1	-2,992.3		
	Liabilities	418.2	1,938.0	1,687.1		
15	Commercial banks (NFA)	-135.4	-186.9	-1,524.8		
16	Debt Relief					
	Principal					
	Interest					

Source: NBE Staff Compilation^P2024/25 data are Preliminary^RSome items are revised

* Large error and omission have been recorded during the fiscal year 2024/25 due to time lag on commodity gold export processing and depositing in National Bank of Ethiopia's reserve.

Particulars	2022/23	2023/24	2024/25	Percentage Change	
	A	B	C	B/A	C/B
Trade Balance	-8.3	-7.1	-8.3	-14.2	16.5
Net Services	0.6	0.6	1.1	4.6	74.8
Net Private Transfers	4.2	2.9	5.6	-29.1	88.6
Net Official Transfers	0.7	0.6	1.4	-12.1	139.3
Current Account Deficit (excluding official transfers)	-3.5	-3.5	-1.6	0.2	-53.7
Current Account Deficit (including official transfers)	-2.9	-2.9	-0.2	3.1	-92.2

Table 5.2: Components of Current Account as Percentage of GDP**Source:** NBE Staff Compilation**Source:** NBE Staff Computations

5.2. Developments in Merchandise Trade

5.2.1 Balance of Trade

The merchandise trade deficit narrowed to USD 10.4 billion from USD 14.9 billion a year earlier, as a rise in merchandise export receipts outweighed rise of import bills. Whereas the merchandise trade deficit as a ratio of GDP slightly widened to 8.3 percent from 7.1 percent a year ago.

5.2.2 Merchandise Export

Total merchandise export earnings reached USD 8.3 billion, exhibiting a substantial 119.7 percent increase compared to the same period last year. This growth was primarily driven by a more than eight-fold surge in gold exports and 86.3 percent rise in coffee exports. Other export items also recorded year-on-year growth, including flowers (4.2 percent), electricity (142.1 percent), meat and meat products (55.7 percent), fruits and vegetables (15.6 percent), live- animals (159.8 percent), and other items (12.2 percent). Conversely, export receipts from oilseeds (0.1 percent), pulses (20.4 percent), chat (26.1 percent), textiles and textile products (1.1 percent), and leather & leather products (12.7 percent) declined during the review period.

Gold export receipts recorded a remarkable increase of more than eight-fold, driven by 823.1 percent rise in export volume, despite 7.7 percent decline in unit price. Consequently, gold's share in total merchandise export earnings surged to 41.7 percent, from 10.8 percent a year earlier.

Export earnings from coffee rose by 86.3 percent, driven by 57.4 percent increase in export volume, supported by 18.3 percent rise in international price. However, the share of coffee in total merchandise exports declined to 31.9 percent from 37.7 percent a year ago.

Likewise, flower export earnings rose by 4.2 percent year-on-year, due to a 4.5 percent increase in export volume despite 0.3 percent decline in international price. Nevertheless, the share of flowers in total merchandise export earnings fell to 5.9 percent from 12.4 percent during the same period last year.

Export earnings from electricity reached USD 336.4 million, representing 142.1 percent increase, driven by nearly five-fold rise in export volume despite 49.7 percent decline in international price. Consequently, electricity's share in total merchandise export earnings slightly grew to 4.0 percent from 3.7 percent a year earlier.

Export revenue from live animals surged by 159.8 percent, on account of 137.5 percent increase in export volume and 9.4 percent rise in international price. As a result, the share of live animals in total merchandise export earnings marginally increased to 1.4 percent from 1.1 percent a year ago.

Export earnings from meat and meat products increased 55.7 percent year-on-year, owing to 67.3 percent rise in export volume, despite 6.9 percent decline in international price. Hence, the share of meat and meat products in total merchandise export earnings fell to 1.3 percent from 1.9 percent a year earlier.

Export revenue from fruits and vegetables also grew by 15.6 percent, supported by 0.7 percent increase in export volume and 14.8 percent rise in international price. However, the share of fruits and vegetables in total merchandise export receipts declined slightly to 0.9 percent from 1.7 percent a year earlier.

In contrast, export revenue from oilseeds declined primarily due to 8.0 percent drop in international price, despite 8.6 percent increase in export volume. Therefore, the share of oilseeds in total export earnings fell to 4.0 percent from 8.8 percent during the review period.

Likewise, export proceeds from pulses dropped by 20.4 percent, reaching USD 273.7 million, primarily due to 24.7 percent slowdown in export volume, despite 5.7 percent increase in international prices. Consequently, the share of pulses in total merchandise exports fell to 3.3 percent from 9.1 percent a year earlier.

Earnings from chat export fell by 26.1 percent, mainly due to 31.5 percent drop in export volume, despite 7.9 percent increase in international prices. As a result, the share of chat in total merchandise exports dropped to 1.5 percent from 4.3 percent a year earlier.

Similarly, export earnings from leather & leather products declined by 12.7 percent, due to a 12.0 percent decrease in export volume and 0.8 percent in international price. As a result, their share in total merchandise export earnings slightly decreased to 0.2 percent from 0.5 percent a year ago.

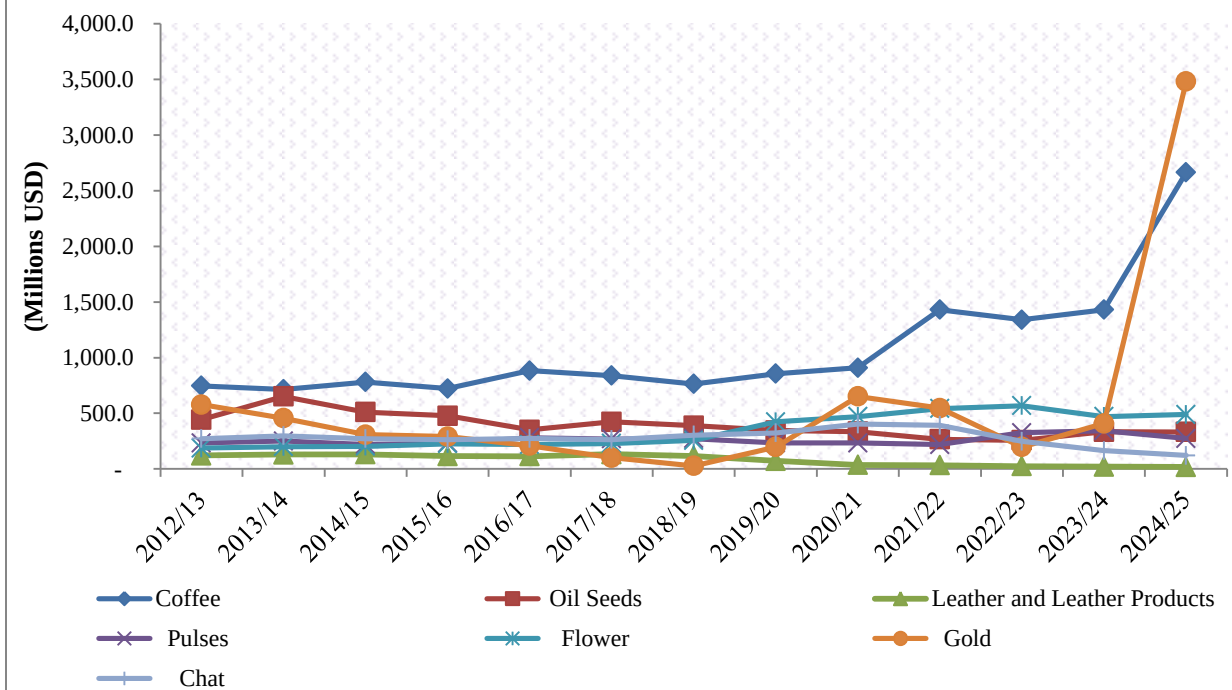
Receipt from textiles & textile products declined by 1.1 percent, due to a 0.7 percent fall in export volume and 0.4 percent in international price. As a result, the share of textiles & textile products in total merchandise export earnings down to 1.4 percent from 3.2 percent a year ago.

Table 5.3: Values of Major Export Items

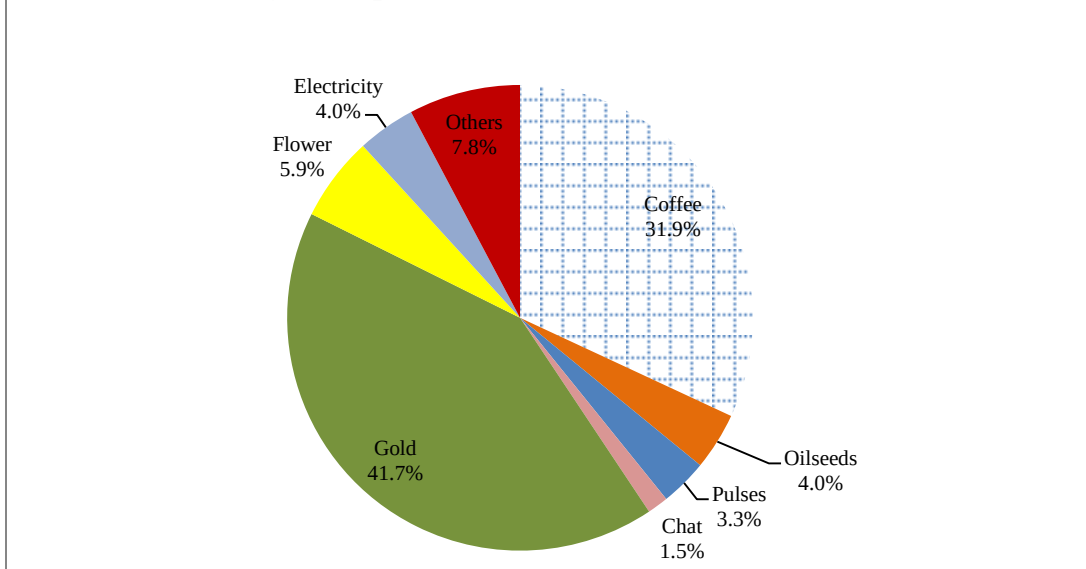
(In millions of USD)

Particulars	2022/23		2023/24		2024/25		Percentage Change	
	A	%share	B	%share	C	%share	B/A	C/B
Coffee	1,340.2	37.0	1,430.8	37.7	2,665.1	31.9	6.8	86.3
Oilseeds	258.0	7.1	333.2	8.8	332.7	4.0	29.2	(0.1)
Leather and Leather Products	24.7	0.7	19.9	0.5	17.4	0.2	(19.5)	(12.7)
Pulses	324.5	9.0	343.8	9.1	273.7	3.3	5.9	(20.4)
Meat & Meat Products	81.7	2.3	70.4	1.9	109.7	1.3	(13.8)	55.7
Fruits & Vegetables	92.5	2.6	65.1	1.7	75.2	0.9	(29.6)	15.6
Textile & Textile Prod.	148.7	4.1	120.1	3.2	118.8	1.4	(19.2)	(1.1)
Live Animals	17.5	0.5	43.5	1.1	112.9	1.4	148.9	159.8
Chat	247.5	6.8	164.5	4.3	121.5	1.5	(33.6)	(26.1)
Gold	197.0	5.4	408.6	10.8	3,480.9	41.7	107.4	752.0
Flower	567.8	15.7	469.9	12.4	489.7	5.9	(17.2)	4.2
Electricity	102.2	2.8	139.0	3.7	336.4	4.0	36.0	142.1
Others	222.0	6.1	189.9	5.0	213.1	2.6	(14.4)	12.2
Total Export	3,624.3	100.0	3,798.7	100.0	8,347.2	100.0	4.8	119.7

Source: Ethiopian Customs Commission, NBE and Ethiopian Electric Power

Fig.V.2: Foreign Exchange Earning from Selected Export Commodities

Source: NBE Staff Computation

Fig.V.3: Export Share of Selected Commodities (FY2024/25)

Source: NBE Staff Computation

Table 5.4: Volume of Major Exports

(In millions of kg unless stated otherwise)

Particulars	2022/23	2023/24	2024/25	Percentage Change	
	A	B	C	B/A	C/B
Coffee	241.7	299.0	470.7	23.7	57.4
Oilseeds	150.3	191.2	207.6	27.2	8.6
Leather and Leather Products	1.7	1.6	1.4	(3.6)	(12.0)
Pulses	396.2	426.0	320.9	7.5	(24.7)
Meat & Meat Products	11.5	11.1	18.5	(4.0)	67.3
Fruit & Vegetables	177.2	184.8	186.1	4.3	0.7
Textile & Textile Prod.	31.4	30.8	30.6	(1.8)	(0.7)
Live Animals	7.9	52.0	123.5	560.4	137.5
Chat	31.3	15.8	10.8	(49.4)	(31.5)
Gold (<i>In mn. of grams</i>)	3.5	4.2	38.9	21.8	823.1
Flower	113.0	95.4	99.7	(15.5)	4.5
Electricity (<i>In mn of kwh</i>)	1,750.0	1,779.5	8,569.9	1.7	381.6

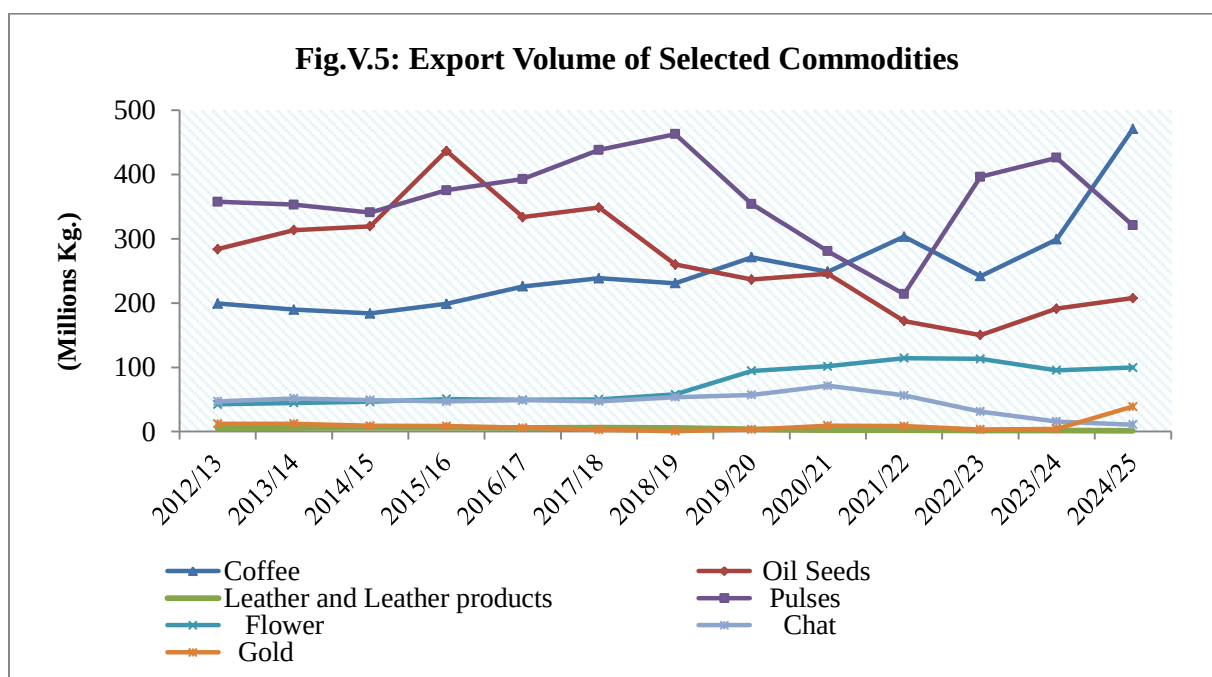
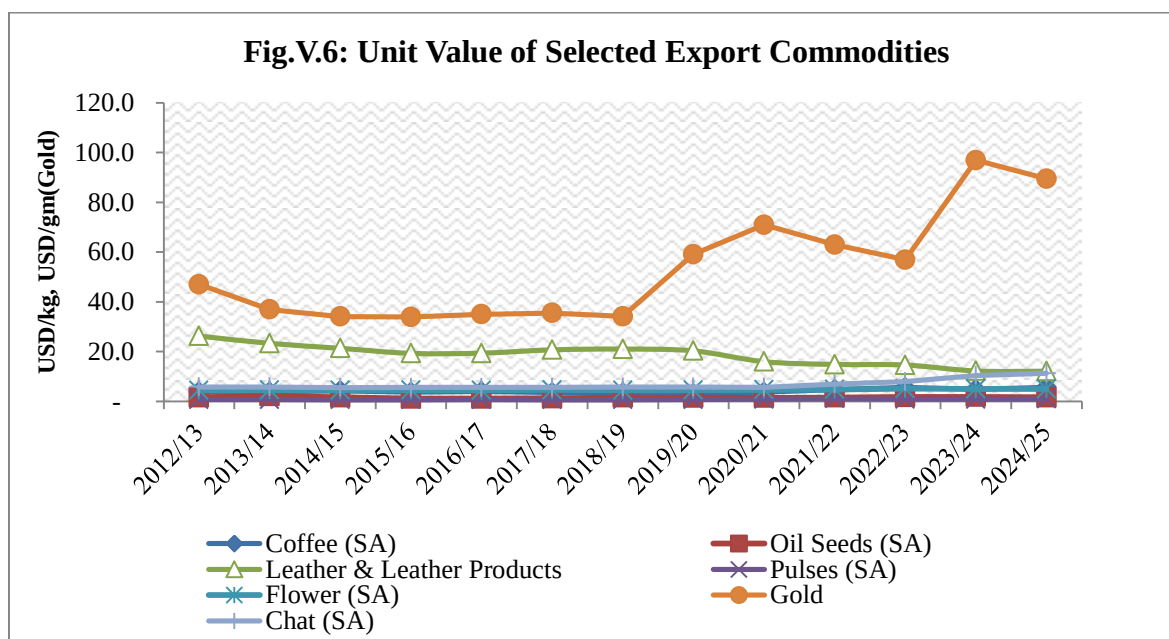
Source: Ethiopian Customs Commission and Ethiopian Electric Power**Source:** NBE Staff Computation

Table 5.5: Unit Value of Major Export Items*(In USD/kg unless stated otherwise)*

Particulars	2022/23	2023/24	2024/25	Percentage Change	
	A	B	C	B/A	C/B
Coffee	5.5	4.8	5.7	(13.7)	18.3
Oilseeds	1.7	1.7	1.6	1.5	(8.0)
Leather and Leather Products	14.6	12.2	12.1	(16.5)	(0.8)
Pulses	0.8	0.8	0.9	(1.5)	5.7
Meat & Meat Products	7.1	6.4	5.9	(10.1)	(6.9)
Fruit & Vegetables	0.5	0.4	0.4	(32.5)	14.8
Textile & Textile Prod.	4.7	3.9	3.9	(17.7)	(0.4)
Live Animals	2.2	0.8	0.9	(62.3)	9.4
Chat	7.9	10.4	11.2	31.3	7.9
Gold (USD/grams)	56.9	96.9	89.4	70.2	(7.7)
Flower	5.0	4.9	4.9	(2.0)	(0.3)
Electricity (USD/kwh)	0.1	0.1	0.0	33.7	(49.7)

Source: Ethiopian Customs Commission and Ethiopian Electric Power**Source:** NBE Staff Computation

5.2.3. Import of Goods

The total merchandise import bills reached USD 18.8 billion, reflecting a modest increase of 0.4 percent, primarily driven by higher import payments for capital goods and raw materials. Conversely, payments for consumer goods, semi-finished goods, fuel, and miscellaneous goods declined during the review period. As a result, the import-to-GDP ratio rose to 14.9 percent from 8.9 percent a year earlier.

Capital goods import bills grew by 14.3 percent, driven by significant increases in agricultural (93.8 percent), transport (32.9 percent), and industrial (6.7 percent) during the review period. Consequently, the share of capital goods in total merchandise imports expanded to 36.0 percent from 31.6 percent in the same period last year.

Likewise, import bills of raw materials increased by 10.8 percent relative to the preceding year and accounted for 0.7 percent of the total merchandise import bill in 2024/25.

In contrast, consumer goods import bills amounted to USD 4.9 billion, marking a 3.8 percent decline from last year. This decrease was primarily driven by 7.2 percent reduction in imports of non-durable goods, while import bills for durable goods increased by 5.2 percent. Consequently, the share of consumer goods in the total merchandise import bill fell to 26.3 percent from 27.5 percent in 2023/24.

Semi-finished goods import bills reached USD 3.4 billion, reflecting 9.4 percent y-o-y decrease as import bills for fertilizer fell by 20.4 percent. As a result, the share of semi-finished goods in total merchandise imports declined to 18.3 percent from 20.3 percent last year.

Likewise, fuel import value fell down to 6.1 percent, amounting to USD 3.4 billion. This decrease was mainly due to 13.6 percent drop in unit price, despite 8.7 percent increase in import volume. Consequently, the share of fuel in total merchandise import bill fell to 18.0 percent from 19.3 percent in the previous fiscal year (Table 5.6).

Table 5.6: Value of Imports by End Use*(In Millions of USD)*

Categories	2022/23		2023/24		2024/25		Percentage change	
	A	% share	B	% share	C	% share	B/A	C/B
Raw Materials	107.9	0.6	118.7	0.6	131.6	0.7	10.0	10.8
Semi-finished Goods	3,258.2	19.0	3,802.3	20.3	3,446.2	18.3	16.7	-9.4
Fertilizers	921.0	5.4	1,315.3	7.0	1,047.4	5.6	42.8	-20.4
Fuel	3,966.5	23.1	3,608.7	19.3	3,387.3	18.0	-9.0	-6.1
Petroleum Products	3,829.4	22.3	3,530.9	18.9	3,316.2	17.6	-7.8	-6.1
Others	137.1	0.8	77.8	0.4	71.1	0.4	-43.2	-8.6
Capital Goods	3,798.0	22.1	5,917.1	31.6	6,761.0	36.0	55.8	14.3
Transport	728.0	4.2	1,493.4	8.0	1,984.0	10.6	105.1	32.9
Agricultural	93.4	0.5	64.7	0.3	125.3	0.7	-30.8	93.8
Industrial	2,976.6	17.4	4,359.0	23.3	4,651.7	24.8	46.4	6.7
Consumer Goods	5,904.6	34.4	5,140.2	27.5	4,944.6	26.3	-12.9	-3.8
Durables	1,447.3	8.4	1,397.8	7.5	1,470.5	7.8	-3.4	5.2
Non-durables	4,457.3	26.0	3,742.4	20.0	3,474.1	18.5	-16.0	-7.2
Miscellaneous	113.3	0.7	134.7	0.7	123.0	0.7	18.9	-8.7
Total Import	17,148.5	100.0	18,721.7	100.0	18,793.7	100.0	9.2	0.4

Source: Ethiopian Customs Commission and Ethiopian Petroleum Enterprise

5.2.4 Direction of Trade

5.2.4.1 Export of Goods

The major destinations⁵ for Ethiopian merchandise exports were Europe, Asia, Africa and America. Europe accounted for 60.8 percent of Ethiopia's total export revenue, with Switzerland taking a 68.6 percent share, followed by Germany (9.2 percent), the Netherlands (7.0 percent), Belgium (4.7 percent), Italy (2.4 percent), Turkey (2.1 percent), United Kingdom (1.2 percent), Russia (1.1 percent) and France (1.0 percent). These countries together accounted for 97.4 percent of Ethiopia's total exports to Europe.

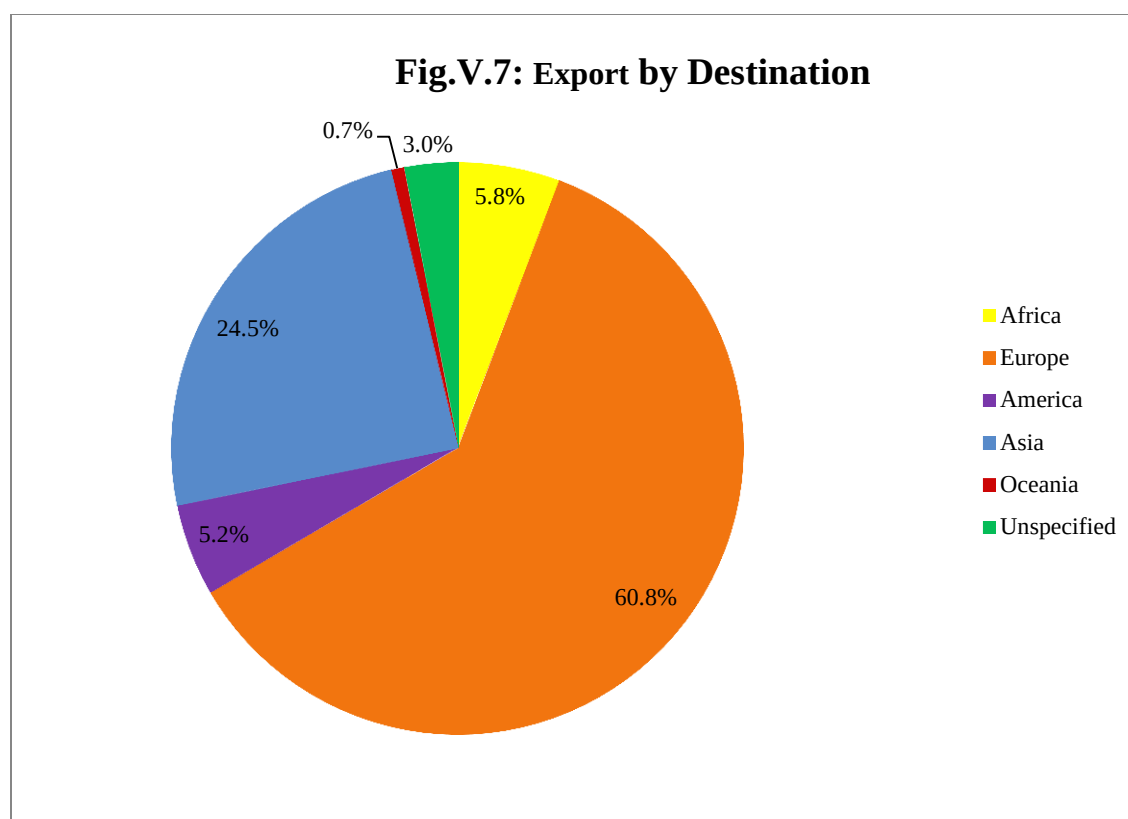
Asia had 24.5 percent share in Ethiopia's total exports. Saudi Arabia was the largest market for Ethiopia's exports, with 24.0 percent share in total export earnings from Asia,

⁵ Electricity export receipts from data miners and receipts from Hilina's enriched foods sold to humanitarian organization operating in Ethiopia is included to export receipts and categorized under unspecified during 2024/25.

followed by the United Arab Emirates (16.3 percent), China (13.0 percent), South Korea (7.8 percent), Japan (6.3 percent), Israel (5.1 percent), India (4.2 percent), Singapore (3.2 percent), Taiwan (2.8 percent), Hong Kong (2.2 percent), Yemen (2.1 percent), Pakistan (2.0 percent), Kuwait (1.5 percent) and Indonesia (1.2 percent). These countries in total constitute 91.7 percent of Ethiopia's total exports to Asia.

About 5.8 percent of Ethiopia's export earnings originated from Africa, mainly Kenya (37.5 percent), Djibouti (32.0 percent), Somalia (9.0 percent), Sudan (6.3 percent), Egypt (6.1 percent), South Africa (2.4 percent) and Morocco (2.3 percent), which altogether accounted for 95.6 percent of the total exports to Africa.

North America accounted for 5.2 percent of Ethiopia's total export earnings, of which 89.6 percent was from the United States and 8.5 percent from Canada. These two countries had a 98.1 percent share in Ethiopia's total exports to North America.



Source: NBE Staff Compilation

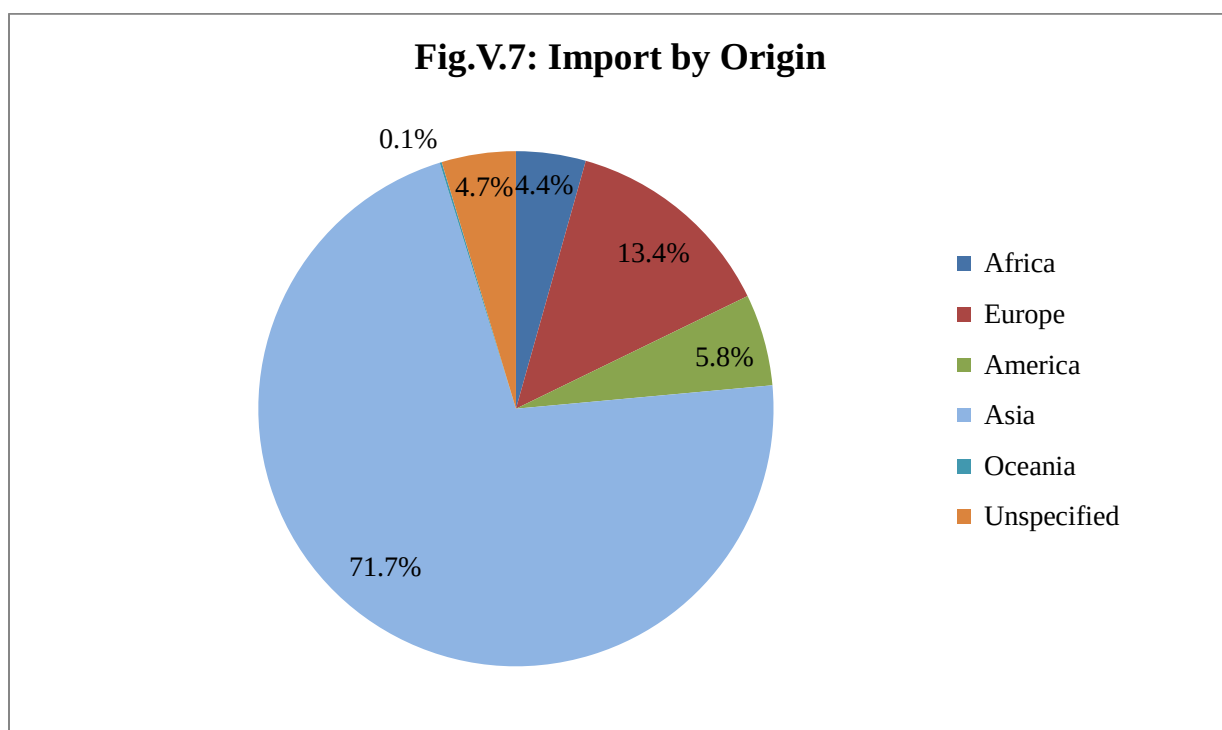
5.2.4.2 Import of Goods

During 2024/25, Asia accounted for 71.7 percent of the total import bills of Ethiopia. The major imports were from Asia mainly from China (46.9 percent), Saudi Arabia (11.9 percent), Kuwait (11.7 percent), India (10.3 percent), U.A.E. (6.1 percent), (Japan 2.1 percent), Indonesia (1.9 percent), Malaysia (1.8 percent), and South Korea (1.7 percent). Their combined share stood at 94.4 percent.

Ethiopia's import bills from Europe were 13.4 percent, with the major trading countries being Turkey (19.9 percent), Russia (18.1 percent), United Kingdom (14.7 percent), Germany (10.7 percent), Italy (9.4 percent), France (4.3 percent), the Netherlands (3.5 percent), Belgium (3.2 percent), Spain (2.6 percent), Ukraine (2.2 percent), Ireland (2.1 percent), Austria (1.3 percent) and Poland (1.0 percent) These countries jointly accounted for 93.0 percent of Ethiopia's total imports from Europe.

Imports from America accounted for 5.8 percent of the total import bill, of which the share of the United States was 84.5 percent, followed by Brazil (5.6 percent), Canada (4.5 percent) and Mexico (1.6 percent). These altogether constituted 96.1 percent of the total imports from the continent.

The share of Ethiopia's total merchandise imports from Africa was 4.4 percent. The major countries of origin are Djibouti (37.3 percent), Egypt (26.0 percent), South Africa (15.2 percent), Kenya (7.9 percent), Morocco (5.6 percent), Rwanda (3.1 percent) and Somalia (1.9 percent) which together constituted 97.1 percent of the total imports from the continent.



Source: NBE Staff Compilation

5.3 Services and Transfers

5.3.1 Services

During 2024/25, net services account recorded USD 1.34 billion surplus, compared with USD 1.28 billion surplus a year ago.

This was attributed to 24.2 percent improvement in surplus of net transport services, net government services (186.3 percent) coupled with contraction in deficit of net investment payments (48.1 percent) and other services payment by 4.7 percent albeit decline in net travel services by 149.3 percent.

Table 5.7 Services Accounts

(In Millions of USD)

No	Particulars	2022/23	2023/24	2024/25	Percentage Change	
		A	B	C	D=B/A	E=C/B
1	Investment Income (2+5)	-449.0	-332.4	-172.4	-26.0	-48.1
2	Interest, net (3-4)	-447.4	-331.1	-172.2	-26.0	-48.0
3	Credit	57.5	99.0	99.0	72.2	
4	Debit	504.9	430.0	430.0	-14.8	
5	Dividend, net	-1.6	-1.3	-1.3	-16.9	
6	NON-FACTOR SERVICES, net (7-8)	1,399.1	1,610.4	1,514.6	15.1	-6.0
7	Exports of non-factor services	7,174.1	7,865.9	8,212.0	9.6	4.4
	Travel	1,140.5	1,274.0	420.6	11.7	-67.0
	Transport ¹	5,479.2	5,946.6	6,533.9	8.5	9.9
	Gov't ²	208.9	127.6	371.2	-38.9	190.9
	Other ³	345.4	517.7	886.3	49.9	71.2
8	Imports of non-factor services	5,775.0	6,255.5	6,697.4	8.3	7.1
	Travel	614.0	771.0	668.6	25.6	-13.3
	Transport ¹	4,124.9	4,335.0	4,532.2	5.1	4.5
	Gov't ²	0.8	1.2	9.4	54.9	656.8
	Other ³	1,035.3	1,148.2	1,487.3	10.9	29.5
9	Net Services (10+11+12+13+14)	950.1	1,278.0	1,342.2	34.5	5.0
10	Travel	526.5	503.0	-247.9	-4.5	-149.3
11	Transport	1,354.3	1,611.6	2,001.7	19.0	24.2
12	Gov't	208.1	126.3	361.8	-39.3	186.3
13	Other	-689.9	-630.5	-601.0	-8.6	-4.7
14	Investment Income	-449.0	-332.4	-172.4	-26.0	-48.1

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

1/ Includes Ethiopian Airlines receipts and payments

2/ Includes transactions with Embassies and international organizations such as UN-ECA, AU, EU, IMF and WB

3/ Includes communication, construction, insurance, financial, information, other business

5.3.2. Unrequited Transfers

Net transfers rose 18.4 percent and reached USD 8.8 billion in 2024/25, as a result of increases net private transfers (13.3 percent) and net official transfers (43.8 percent).

Receipts from private transfers, which comprised 79.2 percent of total transfers during the period, stood at USD 7.2 billion showing a 15.1 percent annual growth. Likewise, official transfers increased by 48 percent and reached USD 1.9 billion.

Furthermore, transfers payment increased from USD 82.9 million last year to USD 269.7 million as a result of higher private and official transfer payments.

Table 5.8 Unrequited Transfers

(In Millions of USD)

S/N	Particulars	2022/23		2023/24		2024/25		Percentage Change	
		A	% share	B	% share	C	% share	B/A	C/B
1	Private Transfers, net	6,807.9	86.2	6,211.1	83.4	7,037.2	79.8	-8.8	13.3
1.1	Receipts	6,849.9	83.9	6,254.9	83.1	7,196.3	79.2	-8.7	15.1
	NGO's	2,192.2	26.8	811.3	10.8	1,182.0	13.0	-63.0	45.7
	Cash	780.3	9.6	741.0	9.8	1,041.5	11.5	-5.0	40.6
	Food	1,411.9	17.3	70.4	0.9	140.5	1.5	-95.0	99.7
	Other								
	Private Individuals	4,657.7	57.0	5,443.5	72.3	6,014.3	66.2	16.9	10.5
1.2	Payments	42.0	15.8	43.8	52.8	159.1	59.0	4.2	263.4
2	Official Transfers, net	1,093.3	13.8	1,236.4	16.6	1,777.6	20.2	13.1	43.8
2.1	Receipts	1,317.9	16.1	1,275.5	16.9	1,888.3	20.8	-3.2	48.0
	Cash	1,317.9	16.1	1,275.5	16.9	1,863.8	20.5	-3.2	46.1
	Food								
	Other	-		-		24.5			
2.2	Payments	224.6	84.2	39.1	47.2	110.7	41.0	-82.6	182.8
	Total Receipts	8,167.8	100.0	7,530.4	100.0	9,084.5	100.0	-7.8	20.6
	Total Payments	266.5	100.0	82.9	100.0	269.7	100.0	-68.9	225.4
3	Net Transfers	7,901.2	100.0	7,447.5	100.0	8,814.8	100.0	-5.7	18.4

Source: National Disaster Risk Management Commission (NDRMC), MoF and NBE

5.4. Current Account

The deficit in the current account balance, including official transfers, significantly narrowed to USD 289.3 million from USD 6.2 billion last year. It resulted from narrowed merchandise trade deficit (29.9 percent) and a rise in net services (5 percent), net private transfers (13.3 percent) and net official transfers (43.8 percent) (Table 5.1).

5.5 Capital Account

Net capital accounts showed USD 5.3 billion in surplus, which was 28.8 percent higher than that of last year. This was largely attributed to the rise in net official long-term capital (105.9 percent) and net foreign direct investment (2.7 percent), private sector long-term capital (169 percent) coupled with a shift in net other public sector long term capital from USD 219.2 million deficit last year to a surplus of USD 450.8 million. However, short term capital outflow rose to USD 641.5 million compared to USD 262.2 million last year (Table 5.1).

5.6 Changes in Reserve Position

Net foreign assets of the banking system recorded reserve build-up of USD 2.8 billion whereby net foreign asset of the National Bank of Ethiopia increased by USD 1.3 billion and that of commercial banks by USD 1.5 billion (Table 5.1).

5.7 External Debt

Ethiopia's external debt stock reached USD 34.1 billion in 2024/25, depicting a 14.8 percent annual rise mainly due to increase in external debt from multilateral (22.3 percent), bilateral (1.7 percent) and commercial creditors (13.8 percent). Hence, the country's external debt stock to GDP ratio stood at 26.9 percent. Commercial debt reached USD 6.5 billion and accounted for 19.1 percent of the total debt stock. Of the total debt stock, 55.8 percent was owed to multilateral and the remaining 25.1 percent to bilateral creditors. The country's external debt burden; measured by debt services to export of goods and non-factor services ratio, decreased to 7 percent from 10.3 percent a year earlier (Table 5.9).

Table 5.9: External Public Debt

(In Millions of USD)

	2022/23	2023/24	2024/25	Percentage Change	
Particulars	A	B	C	D=B/A	E=C/B
Annual Debt	1,615.8	1,507.9	4,231.1	161.9	180.6
Debt Stock	28,733.8	29,681.4	34,078.0	18.6	14.8
Multilateral	15,277.9	15,563.7	19,028.9	24.6	22.3
Bilateral	7,848.7	8,396.6	8,537.3	8.8	1.7
Commercial	5,607.2	5,721.1	6,511.8	16.1	13.8
Debt Services	1,686.5	1,201.0	1,166.1	-30.9	-2.9
Principal repayments	1,264.0	916.9	907.8	-28.2	-1.00
Interest payments	422.5	284.0	258.3	-38.9	-9.06
Debt Stock to GDP Ratio (in %)	17.6	14.1	26.9	53.5	91.1
Debt stock to export of goods and non-factor services	2.7	2.5	2.1	-22.7	-19.1
Receipt from Goods & Non-factor Services	10,798.4	11,664.6	16,559.2	53.3	42.0
Debt service ratio (In percent)1/	15.6	10.3	7.0	-54.9	-31.6
Arrears					
Principal					
Interest					
Relief					
Principal					
Interest					

Source: MoF and NBE

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

5.8. Developments in Foreign Exchange Markets

5.8.1. Developments in Nominal Exchange Rate

During 2024/25, weighted average exchange rate of Birr in the inter-bank foreign exchange market stood at Birr 119.3053/USD, depicting a 113.2 percent annual depreciation (Table 5.10).

In the retail foreign exchange market, the average buying and selling rates (USD/ETB) of forex bureaus depreciated by 111.3 percent and 109.6 percent, respectively.

Table 5.10: Official 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
2022/23	53.2830	12.7	0.0	253.0	0.0
Qtr. I	52.3035	3.3	0.0	65.0	0.0
Qtr. II	52.9654	3.3	0.0	65.0	0.0
Qtr. III	53.6179	3.2	0.0	63.0	0.0
Qtr. IV	54.2454	3.0	0.0	60.0	0.0
2023/24	55.9623	12.7	0.0	254.0	0.0
Qtr. I	54.9259	3.1	0.0	62.0	0.0
Qtr. II	55.6146	3.3	0.0	66.0	0.0
Qtr. III	56.3211	3.3	0.0	65.0	0.0
Qtr. IV	56.9876	3.1	0.0	61.0	0.0
2024/25	119.3053	594.8	173.8	193.0	63.0
Qtr. I	94.1316	31.0	0.0	28.0	0.0
Qtr. II	122.9650	139.9	139.9	27.0	27.0
Qtr. III	127.3614	84.3	24.3	36.0	26.0
Qtr. IV	132.7634	339.7	9.7	102.0	10.0

Source: NBE, Foreign Exchange Monitoring & Reserve Management Directorate and Staff Compilation

Table 5.11: End Period Mid-Market Rates (USD per Unit of Foreign Currency)

Currency	2022/23	2023/24	2024/25	Percentage Change	
	A	B	C	B/A	C/B
Pound Sterling	1.2659	1.2641	1.3785	(0.1)	9.1
Swedish Kroner	0.0926	0.0943	0.1060	1.9	12.3
Djibouti Franc	0.0057	0.0057	0.0057	0.0	0.4
Swiss Franc	1.1176	1.1137	1.2575	(0.3)	12.9
Saudi Riyal	0.2666	0.2666	0.2678	(0.0)	0.5
UAE Dirham	0.2722	0.2722	0.2735	0.0	0.5
Canadian Dollar	0.7542	0.7300	0.7353	(3.2)	0.7
Japanese Yen	0.0069	0.0062	0.0069	(10.1)	11.6
Euro	1.0936	1.0695	1.1765	(2.2)	10.0
SDR	1.3363	1.3075	1.3797	(2.2)	5.5

Source: Staff Compilation

At end-period mid-market exchange rate, the US dollar depreciated against the Swiss Franc (12.9 percent), Swedish Kroner (12.3 percent), Japanese Yen (11.6 percent), Euro (10.0 percent), Pound Sterling (9.1 percent), SDR (5.5 percent), Canadian Dollar (0.7 percent), Saudi Riyal (0.5 percent), UAE Dirhams (0.5 percent) and Djibouti Franc (0.4 percent) (Table 5.11).

Table 5.12: End Period Mid-Market Rates

(Birr per Unit of Foreign Currency)

Currency	2022/23	2023/24	2024/25	Percentage Change	
	A	B	C	B/A	C/B
USD	54.8673	57.6132	135.3679	5.0	135.0
Pound	69.4565	72.8288	186.6105	4.9	156.2
Swedish Kroner	5.0805	5.4349	14.3443	7.0	163.9
Djibouti Franc	0.3104	0.3259	0.7691	5.0	136.0
Swiss Franc	61.3180	64.1643	170.2316	4.6	165.3
Saudi Riyal	14.6290	15.3570	36.2513	5.0	136.1
UAE Dirhams	14.9364	15.6848	37.0192	5.0	136.0
Canadian Dollar	41.3812	42.0596	99.5417	1.6	136.7
Japanese Yen	0.3804	0.3589	0.9408	(5.7)	162.1
Euro	60.0029	61.6173	159.2546	2.7	158.5
SDR	73.3192	75.3292	186.7737	2.7	147.9

Source: Staff Compilation

Likewise, the Birr depreciated against almost all major international currencies, such as the Swiss Franc (165.3 percent), Swedish Kroner (163.9 percent), Japanese Yen (162.1 percent), Euro (158.5 percent), Pound Sterling (156.2 percent), SDR (147.9 percent), Saudi Riyal (136.1 percent), Canadian Dollar (136.7 percent), Djibouti Franc (136.0 percent), UAE (136.0 percent) and USD (135.0 percent) (Table 5.12).

5.8.2. Movements in Real Effective Exchange Rate

The real effective exchange rate (REER) of the Birr has generally appreciated since 2015/16, driven by higher domestic inflation and strengthening of the U.S. dollar relative to currencies of Ethiopia's major trading partners. However, the Birr experienced real depreciation during 2017/18, 2019/20, 2020/21, and notably in 2024/25 following changes in the foreign exchange regime when the Birr depreciated by 52.9 percent in real terms.

This was primarily due to the easing of domestic inflation inertia and the Birr's depreciation against its trading partners.

Similarly, the nominal effective exchange rate (NEER) of the Birr fell by 52.7 percent in 2024/25, compared to a 23.4 percent appreciation in the previous year (Table 5.13).

Table 5.13: Trends in Real and Nominal Effective Exchange Rates

Fiscal Year	REERI	NEERI	Percentage Change	
			REERI	NEERI
2015/16	165.1	40.4	1.7	-2.8
2016/17	178.5	41.0	8.2	1.6
2017/18	169.2	34.7	-5.3	-15.4
2018/19	192.8	35.5	14.0	2.4
2019/20	202.4	31.5	5.0	-11.3
2020/21	192.6	25.4	-4.8	-19.2
2021/22	235.4	27.1	22.2	6.7
2022/23	305.5	30.2	29.7	11.4
2023/24	376.1	37.3	23.1	23.4
2024/25	177.0	17.7	-52.9	-52.7

Source: NBE Staff Compilation

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 2024/25, a total of USD 594.8 million was traded in the inter-bank foreign exchange market. Of this amount, 30 percent (USD 173.8 million) was traded among commercial banks, reflecting improved FX market liquidity following the recent market reforms. The remaining USD 421 million was supplied entirely by the NBE through the FX auction (Table 5.10).

At the same time, forex bureaus of commercial banks purchased USD 147.6 million from customers, which was 34.8 percent lower than last year. Their foreign exchange sales also decreased by 8.0 percent to USD 232.4 million (Table 5.14).

Table 5.14: Foreign Exchange Transactions by Forex Bureaus of Commercial Banks
(In millions USD)

Name of Forex Bureau	2022/23		2023/24		2024/25		Percentage Change	
	A	B	C	D	E	F	G=E/C	H=F/D
	Purchases	Sales	Purchases	Sales	Purchases	Sales	Purchases	Sales
Commercial Bank of Ethiopia	142.7	127.3	192.3	169.4	67.3	97.1	-65.0	-42.7
Bank of Abyssinia	1.1	17.8	0.5	17.3	23.0	15.7	4910.7	-9.1
Dashen Bank	13.9	17.3	19.4	15.6	20.0	15.9	3.2	1.5
Awash International Bank	2.2	25.3	0.8	21.9	3.0	33.0	258.5	50.8
Wegagen Bank	1.3	4.9	0.4	2.9	0.6	5.8	47.5	102.8
United Bank	1.8	3.3	1.4	3.3	1.5	2.5	1.6	-22.9
Development Bank	0.0	0.1	0.0	0.1	0.7	0.2	17367.9	96.7
Nib International Bank	2.2	3.7	0.2	1.5	1.2	1.6	472.7	8.8
Lion International Bank	0.7	0.4	0.8	0.6	0.6	1.6	-24.2	172.3
Oromia International Bank	11.0	5.4	5.9	4.7	2.6	2.7	-55.4	-41.6
Zemen Bank	0.3	3.8	0.2	2.2	0.4	29.8	68.9	1276.2
Cooperative Bank of Oromia	0.5	4.0	0.3	1.6	2.0	3.7	494.9	126.9
Buna International Bank	0.4	1.1	0.5	3.7	0.1	3.8	-74.3	4.9
Birhan International Bank	0.5	3.2	0.1	1.9	1.5	4.4	983.1	137.0
Abay Bank	0.8	0.9	0.1	1.2	0.6	5.7	470.9	368.3
Addis International Bank	2.1	1.2	0.4	1.1	0.7	2.2	81.6	104.7
Debab Global Bank	1.1	0.8	0.4	0.3	0.9	0.1	130.6	-59.5
Enat Bank	1.0	0.9	0.7	0.6	0.9	3.0	28.5	435.8
Zamzam Bank	0.01	0.5	0.0	0.7	0.2	0.0	11245.1	-100.0
Gohe Betoch Bank	0.00	0.1	0.0	0.1	0.0	0.2	218.4	210.1
Hijra Bank	0.24	0.1	1.0	0.1	0.4	0.0	-65.7	-98.3
Amhara Bank	0.02	0.4	0.0	1.0	0.1	0.1	771.2	-90.3
Tsehay Bank	0.04	0.1	0.3	0.1	0.1	0.1	-81.8	-45.6
Siinqee Bank	0.04	0.0	0.4	0.6	18.0	0.1	4982.9	-88.1
Geda Bank	0.02	0.0	0.1	0.1	0.3	0.3	214.5	247.7
Ahadu Bank	0.01	0.0	0.0	0.2	0.7	2.5	4434.8	958.1
Tseday Bank	0.00	0.0	0.0	0.0	0.0	0.2	421.7	-
Sidama Bank			0.0	0.12	0.1	0.1	-	-
Rammis Bank				-	0.1	0.0	-	-
Total	184.0	222.5	226.4	252.7	147.6	232.4	-34.8	-8.0
Average Exchange Rate	53.6201	54.7222	55.9951	57.1230	118.3012	119.7361	111.3	109.6

Source: Staff Compilation

VI. GENERAL GOVERNMENT FINANCE

6.1 General

Overall fiscal deficit of the general government (including grants) reached Birr 246.8 billion or 1.6 percent of GDP in 2024/25 compared to 2.1 percent a year ago.

Total revenue (including grants) depicted 80 percent annual growth. Its ratio to GDP reached 9.2 percent from 7.1 percent last fiscal year (Table 6.1).

Likewise, the general government expenditure rose by 62.3 percent compared to last year. Thus, the ratio of expenditure to GDP was 12 percent relative to 9.5 percent a year earlier and total public debt to GDP ratio 47.1 percent during the review period (Table 6.1).

Table 6.1: Measuring Fiscal Sustainability (In Percent)

Fiscal Year	OD/GDP	PD/GDP	IP/RR	Ddebt/GDP	Edebt/GDP	Pdebt/GDP	R(Pdebt)	R(GDP)	Exp/GDP	Rev/GDP	R(OR)
2015/16	(1.9)	(1.4)	3.1	25.0	29.7	54.7	22.4	18.2	17.4	14.7	23.6
2016/17	(3.3)	(2.8)	3.2	28.2	29.5	57.7	23.5	17.6	18.0	14.0	11.3
2017/18	(3.0)	(2.5)	4.3	29.1	32.0	61.1	26.9	21.0	16.1	12.3	5.1
2018/19	(2.5)	(2.0)	4.3	24.7	29.1	53.8	7.9	23.1	15.4	11.6	15.5
2019/20	(2.5)	(2.1)	3.8	27.2	29.9	57.1	33.0	25.4	14.2	10.5	13.8
2020/21	(2.8)	(2.2)	5.4	27.1	29.7	56.8	27.8	28.6	13.8	10.2	25.5
2021/22	(3.4)	(2.8)	7.1	24.9	23.6	48.5	21.1	41.8	12.7	8.8	21.5
2022/23	(2.5)	(1.9)	8.0	22.0	17.2	39.2	14.6	41.7	10.8	7.9	26.9
2023/24	(2.1)	(1.5)	8.2	19.1	13.7	32.8	13.0	35.1	9.5	7.1	22.6
2024/25	(1.6)	(0.8)	8.7	16.6	30.5	47.1	84.0	28.1	12.0	9.2	65.0

Source: Staff Computation

OD=Overall Deficit

PD = Primary Deficit

IP/RR = Share of interest payments in Recurrent revenue

Ddebt/GDP = Ratio of Domestic Debt to GDP

Edebt/GDP = Ratio of External Debt to GDP

Pdebt/GDP = Ratio of Public Debt to GDP

R(Pdebt) = Growth rate of Public 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 (including grants) registered Birr 1.5 trillion and depicted 80 percent of annual growth. Tax revenue as a percentage of GDP was 9.2 percent compared to 7.1 percent in the previous year (see Table 6.1).

Total domestic revenue reached Birr 1.3 trillion and showed a 65 percent annual growth. Tax revenue was Birr 1.1 trillion (84.5 percent) and went up by 63.6 percent, and the remaining Birr 214.6 billion (15.5 percent) was collected from non-taxes, which exhibited a 73.3 percent year-on-year increase mainly due to improvements in charges and fees.

Tax revenue from direct was Birr 520.8 billion and from indirect taxes Birr 650.8 billion. Grants stood at Birr 185 billion, which was 460 percent higher than the previous year.

All in all, the performance of total revenue, including grants, was 89 percent of the annual budget (Table 6.2).

Table 6.2: Summary of General Government Revenue by Component (In Millions of Birr)

Particulars	2023/24	2024/25		Percentage Change	Performance Rate
	[A]	[B]	C	[C/A]	[C/B]
	Pre. Act	Annual Budget	Pre. Act		
Total Revenue and Grants	873,126.5	1,765,213.4	1,571,509.6	80.0	89.0
Total Domestic Revenue 1/	840,094.8	1,551,122.4	1,386,477.2	65.0	89.4
Tax Revenue	716,172.2	1,248,832.7	1,171,780.9	63.6	93.8
1. Direct Tax Revenue	340,600.2	559,493.2	520,884.5	52.9	93.1
1.1 Income and Profit Taxes	330,391.6	515,677.6	476,812.3	44.3	92.5
Personal	142,491.9	184,470.9	194,262.3	36.3	105.3
Business	156,510.5	254,072.5	229,619.8	46.7	90.4
Others 2/	31,389.3	77,134.2	52,930.1	68.6	68.6
1.2 Rural Land Use Fee	1,026.5	3,648.6	3,936.7	283.5	107.9
1.3 Urban Land Use Fee	9,182.0	40,167.0	40,135.6	337.1	99.9
2. Indirect Taxes	375,572.0	689,339.6	650,896.4	73.3	94.4
2.1 Domestic Taxes	197,033.0	338,680.7	298,189.8	51.3	88.0
2.2 Foreign Trade Taxes	178,539.0	350,658.9	352,706.7	97.6	100.6
Import	178,503.6	350,637.7	352,658.4	97.6	100.6
Export	35.5	21.2	48.2		228.0
3. Non-Tax Revenue	123,922.7	302,289.6	214,696.3	73.3	71.0
3.1 Charges and Fees	13,744.3	25,625.0	39,436.8	186.9	153.9
3.2 Govt. Invt. Income 3/	16,465.7	27,478.4	20,033.6	21.7	72.9
3.3 Reimb. And Property Sales	4,805.0	1,330.4	4,674.8	(2.7)	351.4
3.4 Sales of Goods & Services	21,355.8	36,977.6	32,796.2	53.6	88.7
3.5 Others 4/	67,551.9	210,878.1	117,754.9	74.3	55.8
4. Grants	33,031.7	214,091.0	185,032.4	460.2	86.4

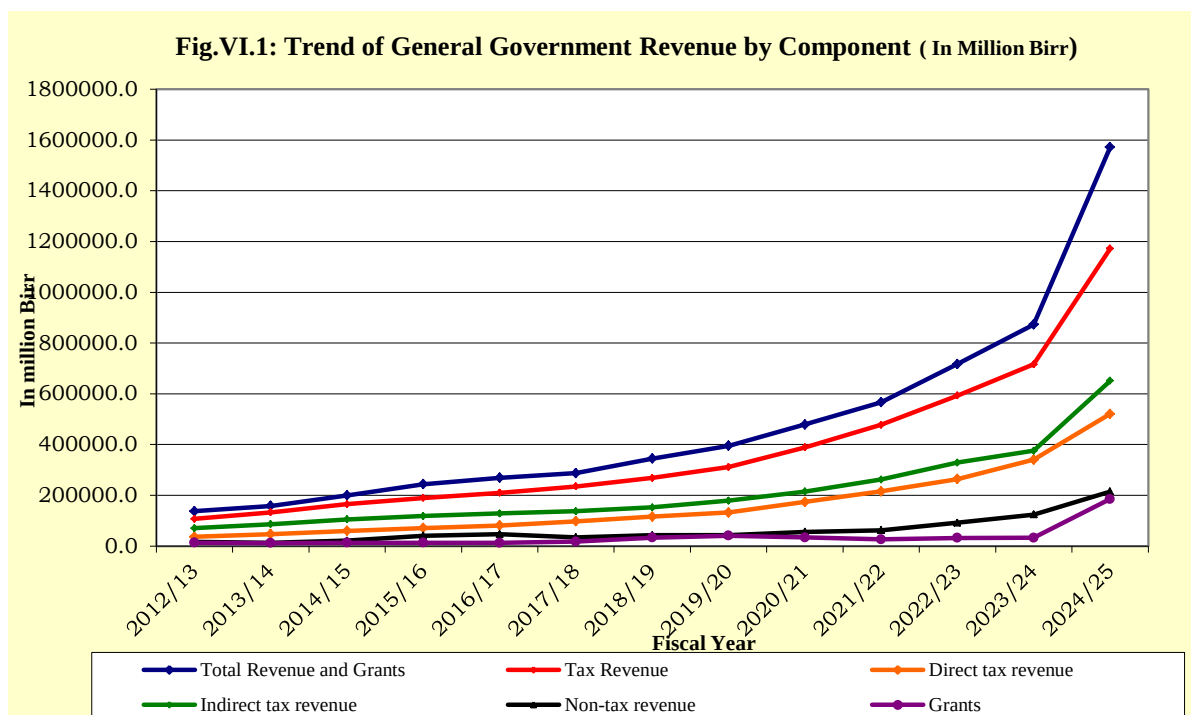
Source: Ministry of Finance

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

Total expenditure at Birr 1.8 trillion in the review period increased 62.3 percent relative to last year. Total expenditure to GDP ratio was 12 percent (Table 6.1).

Meanwhile, current expenditure stood at Birr 1.07 trillion showing a 63.9 percent annual growth and it accounted for 58.8 percent of the total expenditure.

Likewise, capital expenditure at Birr 749 billion depicted a 60.2 percent growth over last year. It was 41.2 percent of total expenditure.

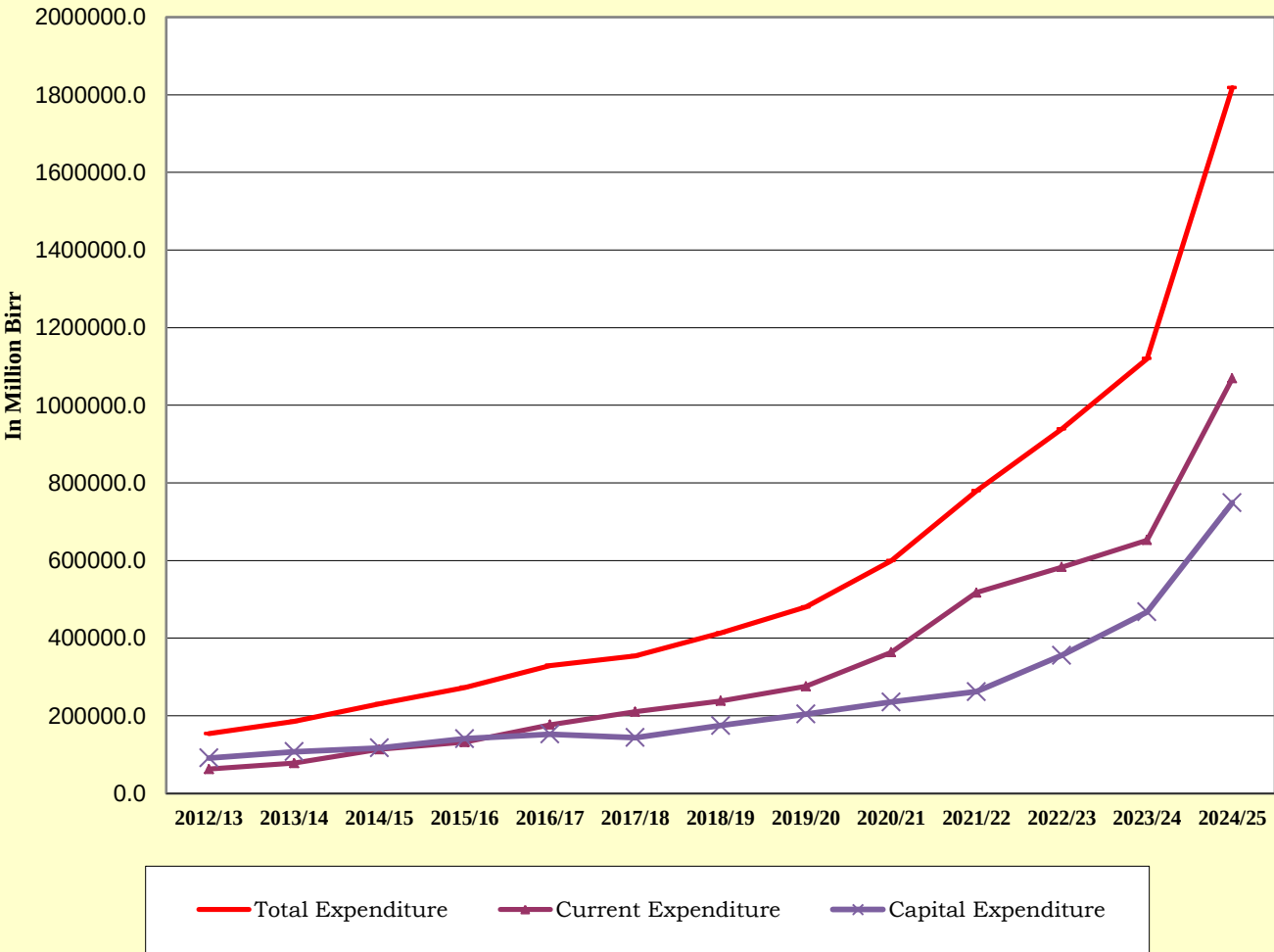
Hence, the performance of general government expenditure was 89.3 percent of the annual budget (Table 6.3).

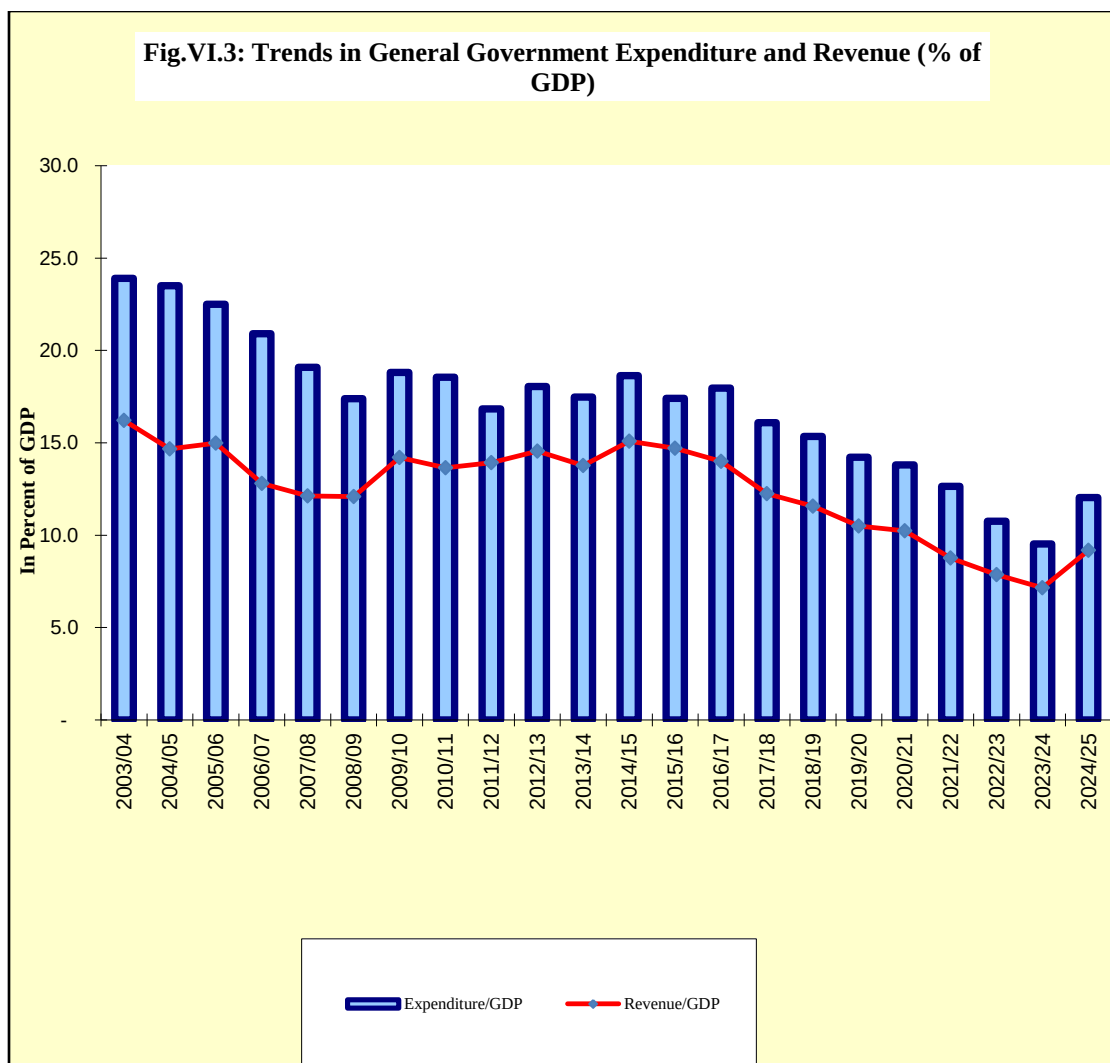
Table 6.3: Summary of General Government Expenditure (In Millions of Birr)

Particulars	2023/24	2024/25		Percentage Change	Performance Rate
	[A]	[B]	[C]		
	Pre Actual	Annual Budget	Pre Actual		
Total Expenditure	1,120,077.3	2,035,272.6	1,818,329.2	62.3	89.3
1. Current Expenditure	652,619.7	1,346,123.6	1,069,320.7	63.9	79.4
General Services	230,741.7	281,989.7	342,002.1	48.2	121.3
Economic Services	63,103.7	122,830.6	83,182.5	31.8	67.7
Social Services	247,932.4	321,350.7	321,187.9	29.5	99.9
Interest and Charges	68,888.3	175,631.5	120,768.8	75.3	68.8
External Assistance ^{1*}	-	-	-	-	-
Social Safety Net	-	-	-	-	-
Others (miscellaneous)	41,953.6	444,321.2	202,179.4	381.9	45.5
2. Capital Expenditure	467,457.6	689,148.9	749,008.5	60.2	108.7
Economic Development	275,982.7	404,313.9	471,845.7	71.0	116.7
Social Development	92,963.5	135,548.8	137,775.4	48.2	101.6
General Development	98,511.4	149,286.2	139,387.5	41.5	93.4
3. Special programs	-	-	-	-	-

Source: Ministry of Finance**Note:** 1/ Includes mapping, science and technology, public buildings, etc

Fig.VI.2: Trends in General Government Expenditure by Component





6.4 Deficit Financing

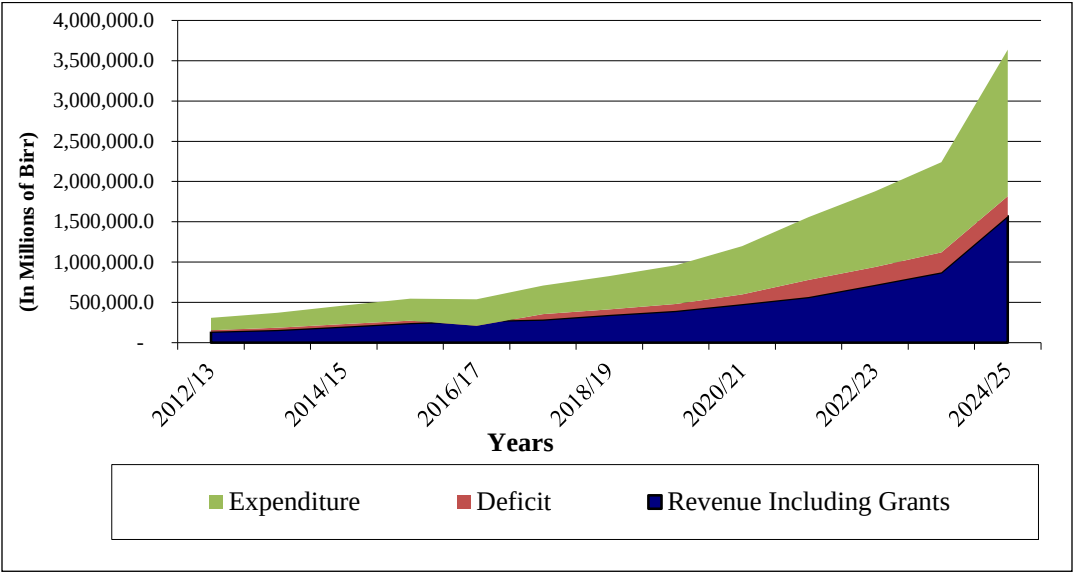
The general government fiscal deficit (including grants) was Birr 246.8 billion which was financed by net external and domestic borrowings (Table 6.4).

Table 6.4: Summary of General Government Finance (In Millions of Birr)

Particulars	2023/24	2024/25		Percentage Change	performance rate
	[A]	[B]	[C]	[C/A]	[C/B]
	Pre. Act	Annual Budget	Pre. Act		
Total Revenue and Grants	873,126.5	1,765,213.4	1,571,509.6	80.0	89.0
Revenue	840,094.8	1,551,122.4	1,386,477.2	65.0	89.4
Grants	33,031.7	214,091.0	185,032.4	460.2	86.4
Total Expenditure	1,120,077.3	2,035,272.6	1,818,329.2	62.3	89.3
Current Expenditure	652,619.7	1,346,123.6	1,069,320.7	63.9	79.4
Capital Expenditure	467,457.6	689,148.9	749,008.5	60.2	108.7
Special Programs	-	-	-	-	-
Overall Surplus/ Deficit					
(Including Grants)	(246,950.7)	(270,059.2)	(246,819.6)	(0.1)	91.4
(Excluding Grants)	(279,982.5)	(484,150.2)	(431,852.0)	54.2	89.2
Total Financing	246,950.7	270,059.2	246,819.6	(0.1)	91.4
Net External Borrowings	29,289.1	142,804.8	136,051.7	364.5	95.3
Gross Borrowing	52,615.4	242,139.9	202,143.2	284.2	83.5
o/w Special Programs	-	-	-	-	-
Amortization Paid	23,326.3	99,335.1	66,091.5	183.3	66.5
HIPC relief & MDRI	-	-	-	-	-
Net Domestic Borrowings	228,045.2	127,254.4	163,686.4	(28.2)	128.6
Banking System	139,753.1	-	59,771.3	(57.2)	-
Non-Banking Systems	88,292.1	-	103,915.1	17.7	-
Privatization Receipts	-	-	-	-	-
Others and Residuals	(10,383.6)	0.0	(52,918.5)	409.6	-

Source: Ministry of Finance

Fig.VI.4: General Government Deficit Finance of F.Y 2024/25



VII. INVESTMENT

In the 2024/25 fiscal year a total of 204 projects become operational under the Ethiopian Investment Commission and regional investment offices, more than doubling the total from the previous year with a 102 percent increase. Private investors accounted for 99.5 percent of these projects, while only one public investment project was recorded during the period. The total investment capital reached Birr 206 billion, reflecting a 171.1 percent year-on-year growth.

Of the total investment projects, 153 projects were domestic (75 percent) with a capital of Birr 37 billion (18 percent); and 50 projects (24.5 percent) were foreign with a capital of Birr 15 billion.

The average capital per project for domestic private investors was Birr 242.2 million and Birr 301 million for foreign investors, signifying that foreign investment projects were more capital intensive than the domestic ones.

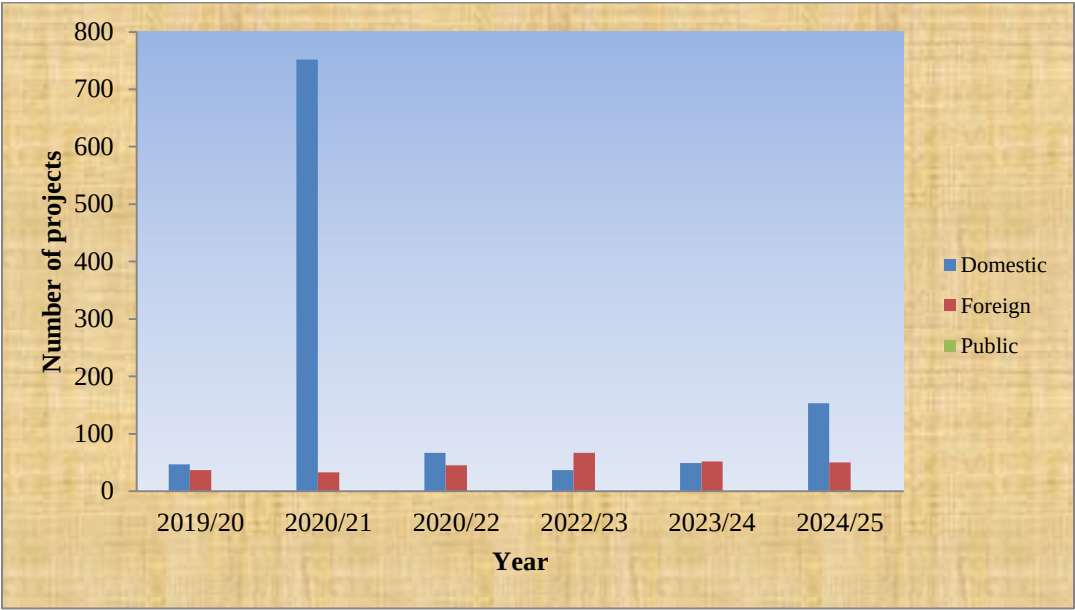
These investment projects have created new job opportunities for about 63,041 permanent and 62,711 casual workers (Table 7.1).

Table 7.1: Number of Projects, Capital and Jobs Created by Operational Investment
(Capital in millions of Birr)

		2022/23	2023/24	2024/25		Percentage change	
		A	B	C	Share	C/A	C/B
1. Total Investment	Number	112	101	204	100	82.1	102.0
	Capital	2,183.8	75,991.7	205,987.8	100	9,332.4	171.1
	Permanent Workers	12,914	5,706	63,041	100	388.2	1,004.8
	Temporary Workers	3,452	2,169	62,711	100	1,716.7	2,791.2
1.1. Total Private	Number	112	101	203	99.5	81.3	101.0
	Capital	2,183.8	75,991.7	52,112.0	25.3	2,286.3	-31.4
	Permanent Workers	6,849	5,706	9,369	14.9	36.8	64.2
	Temporary Workers	9,431	2,169	2,659	4.2	-71.8	22.6
1.1.1. Domestic	Number	37	49	153	75.0	313.5	212.2
	Capital	5,026.2	62,422.4	37,063.5	18.0	637.4	-40.6
	Permanent Workers	915	316	5,249	8.3	473.7	1,561.1
	Temporary Workers	6,619	339	1,850	3.0	-72.1	445.7
1.1.2. Foreign	Number	67	52	50	24.5	-25.4	-3.8
	Capital	57,463.7	13,569.3	15,048.5	7.3	-73.8	10.9
	Permanent Workers	5,934	5,390	4,120	6.5	-30.6	-23.6
	Temporary Workers	2,812	1,830	809	1.3	-71.2	-55.8
1.2. Public	Number	-	-	1	0.5	-	-
	Capital	-	-	153,875.8	74.7	-	-
	Permanent Workers	-	-	53,672	85.1	-	-
	Temporary Workers	-	-	60,052	95.8	-	-

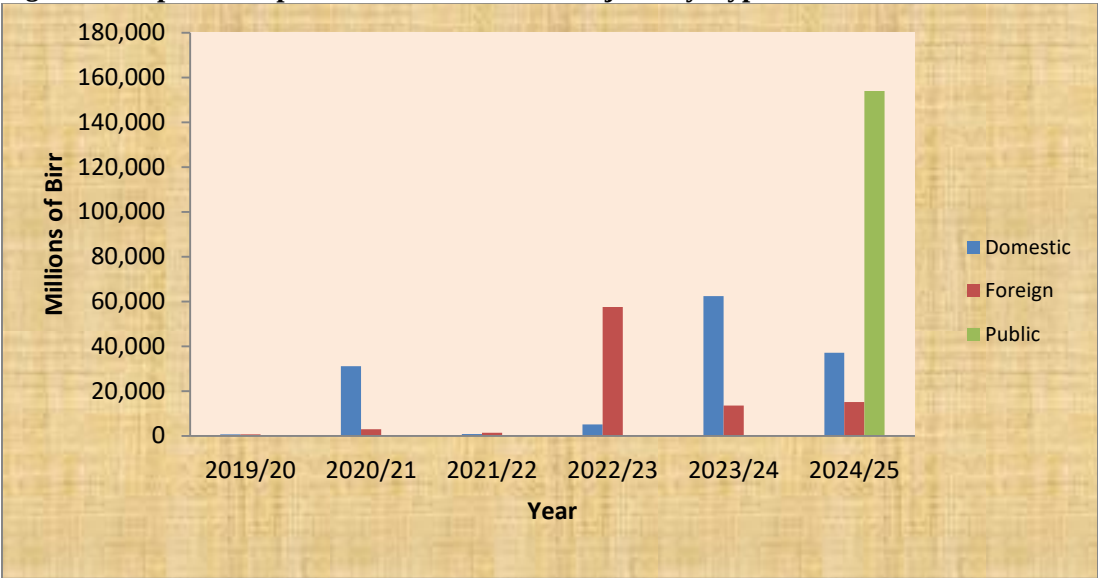
Source: Ethiopian Investment Commission

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, 54.4 percent were in manufacturing, followed by construction (18.6 percent) and real estate, renting, and business activities (14.2 percent). Health and social work accounted for 5.9 percent, hotels and restaurants for 2.5 percent, and wholesale, retail trade, and repair services for 2 percent. Education, tour operations, and transport and communication each constituted 1 percent.

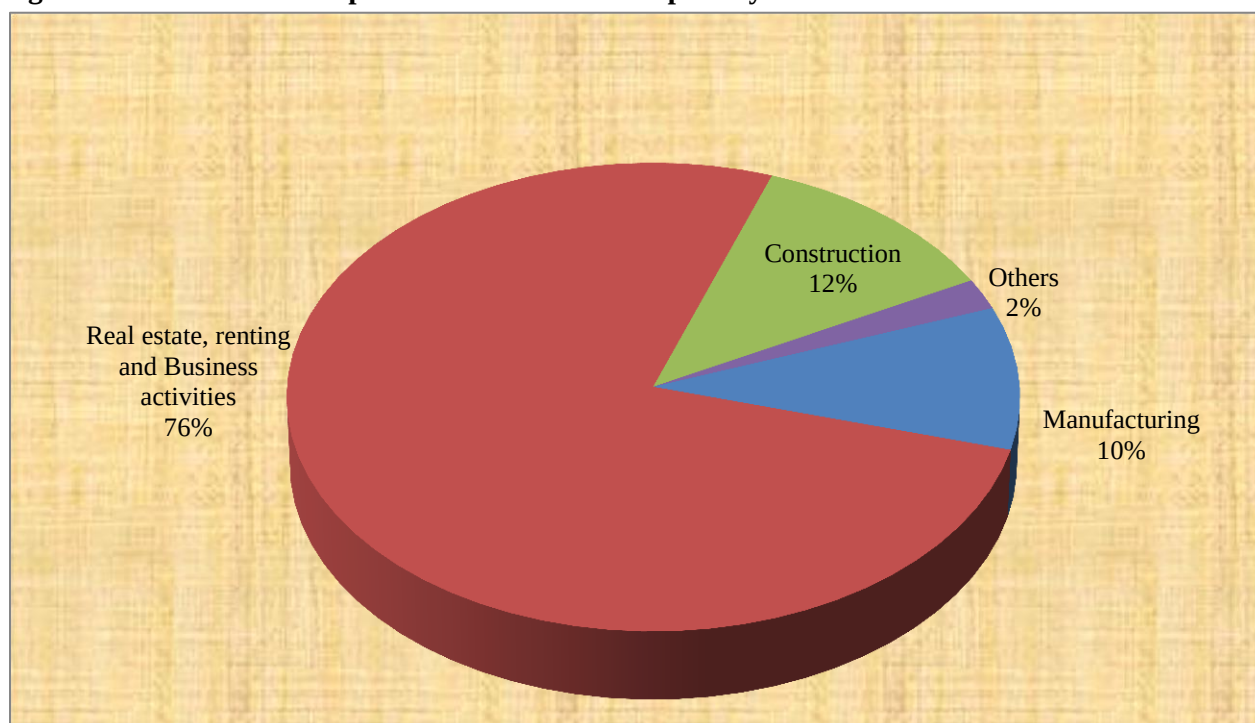
In terms of investment capital, the real estate, renting, and business activities sector alone accounted for 76.2 percent, followed by construction at 11.8 percent and manufacturing at 9.9 percent. The remaining 2.1 percent was attributed to other sectors (Table 7.2).

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

(Capital in millions of Birr)

Sectors	2022/23		2023/24		2024/25		Percentage share	
	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital
Manufacturing	59	2,765.5	64	14,770.7	111	20,297.5	54.4	9.9
Agriculture, hunting and forestry	1	20.0	-	-	1	3,110.0	0.5	1.5
Real estate, renting and Business activities	14	56,150.9	20	810.9	29	156,939.1	14.2	76.2
Hotel and restaurants	2	30.4	2	157.3	5	136.9	2.5	0.1
Education	1	1,500.0	1	70.0	2	334.0	1.0	0.2
Health and social work	3	48.7	6	152.3	12	412.3	5.9	0.2
Construction	14	118.2	7	60,025.0	38	24,370.0	18.6	11.8
Tour operation, transport and communication	6	1,139.5	-	-	2	213.0	1.0	0.1
Wholesale, retail trade and repair service	-	-	-	-	4	174.8	2.0	0.1
Mining and quarrying	-	-	-	-	-	-	-	-
Electricity, gas, steam and water supply	-	-	-	-	-	-	-	-
Other community, social and personal service activities	-	-	1	5.5	-	-	-	-
Others	4	716.7	-	-	-	-	-	-
Grand Total	104	62,490.0	101	75,991.7	204	205,987.8	100.0	100.0

Source: Ethiopian Investment Commission

Fig.VII.3: Distribution of Operational Investment Capital by Sector in 2024/25

Source: Ethiopian Investment Commission

Others*: Agriculture, hunting and forestry, Hotel & restaurants, Education, Health & social work, Tour operation, transport and communication and Whole sale, retail trade and repair service

7.2. Distribution by Region

Of the total operational projects in 2024/25, 147 projects (72.1 percent), with a capital of Birr 36.8 billion, were established in Addis Ababa. The remaining 56 projects (27.5 percent) having Birr 169.2 billion capital went operational in multi-regional projects, while the remaining 1 project (0.5 percent) was established in Amhara region (Table 7.4).

Table 7.3: Number and Capital of Operational Projects by Region

(Capital in millions of Birr)

Regions	2022/23		2023/24		2024/25		Percentage share	
	No. of projects	Investment Capital	No. of projects	Investment Capital	No. of projects	Investment Capital	No. of projects	Investment Capital
Tigray	-	-	-	-	-	-	-	-
Afar	-	-	-	-	-	-	-	-
Amhara	-	-	-	-	1	1.1	-	-
Oromia	-	-	-	-	-	-	-	-
Somali	-	-	-	-	-	-	-	-
Benishangu l-Gumuz	-	-	-	-	-	-	-	-
Gambella	-	-	-	-	-	-	-	-
Harari	-	-	-	-	-	-	-	-
Addis Ababa	35	5,010.3	49	62,422.4	147	36,756.8	72.1	17.8
Dire Dawa	-	-	-	-	-	-	-	-
Sidama	-	-	-	-	-	-	-	-
Central Ethiopia region	-	-	-	-	-	-	-	-
South Ethiopia region	-	-	-	-	-	-	-	-
South west Ethiopia region	-	-	-	-	-	-	-	-
Multiregion al Projects	69	57,479.7	52	13,569.3	56	169,230.3	27.5	82.2
Grand Total	104	62,490.0	101	75,991.7	204	205,988.1	100	100

Source: Ethiopian Investment Commission

VIII. INTERNATIONAL DEVELOPMENTS

8.1. International Economic Developments

8.1.1. Overview of the World Economy

Global growth is projected to marginally fall from 3.3 percent in 2024 to 3.2 percent in 2025 on annual average basis. Likewise, for advanced economies, the growth projection will fall from 1.8 percent in 2024 to 1.6 percent in 2025. Furthermore, for emerging markets and developing economies, the growth outlook is projected to slow from 4.3 percent in 2024 to 4.2 percent in 2025.

In the United States, growth is projected to slow to 2.0 percent in 2025. This projection marks a significant slowdown from 2024; the downward revision is mainly a result of greater policy uncertainty, higher trade barriers, and lower growth in both the labor force and employment.

Growth in the euro area is expected to pick up modestly to 1.2 percent in 2025 from 0.9 percent in 2024.

In Japan, growth is expected to accelerate from 0.1 percent in 2024 to 1.1 percent in 2025. These dynamics are driven by an expected pickup in real wage growth supporting private consumption, despite headwinds from elevated trade policy uncertainty and softening external demand.

Growth in the Middle East and Central Asia is projected to accelerate, from 2.6 percent in 2024 to 3.5 percent in 2025, as the effects of disruptions to oil production and shipping dissipate and the impacts of ongoing conflicts abate.

In Sub-Saharan Africa, growth is expected to remain subdued, unchanged in 2025 from 4.1 percent in 2024.

Table 8.1: Overview of World Economic Outlook and Projection

(Annual Percentage Change)

Particulars	2023	2024	Projection	
			2025	2026
World Output	3.5	3.3	3.2	3.1
Advanced Economies	1.7	1.8	1.6	1.6
United States	2.9	2.8	2.0	2.1
Euro Area	0.4	0.9	1.2	1.1
Japan	1.2	0.1	1.1	0.6
United Kingdom	0.4	1.1	1.3	1.3
Emerging Market & Developing Economies	4.7	4.3	4.2	4.0
Middle East and Central Asia	2.6	2.6	3.5	3.8
Sub-Saharan Africa	4.1	4.1	4.1	4.0
Nigeria	3.7	4.1	3.9	4.4
South Africa	0.8	0.5	1.1	1.2
World Trade Volume (goods & services)	1.0	3.5	3.6	2.3
Import				
Advanced Economies	-0.7	2.1	3.1	1.3
Emerging Market and Developing Economies	3.7	5.6	4.3	4.0
Export				
Advanced Economies	0.9	1.8	2.1	1.7
Emerging Market and Developing Economies	1.4	6.5	5.9	3.3
Commodity Prices (US dollars)				
Oil	-16.4	-1.8	-12.9	-4.5
Non- fuel (average based on world commodity import weights)	-5.7	3.7	7.4	4.1
World Consumer Price	6.7	5.8	4.2	3.7
Advanced Economies	4.6	2.6	2.5	2.2
United States	4.1	3.0	2.7	2.4
Euro Area	5.4	2.4	2.1	1.9
Japan	3.3	2.7	3.3	2.1
Emerging Market & Developing Economies	8.1	7.9	5.3	4.7
China	2.0	0.2	0.2	0.0
Mexico	5.5	4.7	3.9	3.3
Turkey	53.9	58.5	34.9	24.7
Brazil	4.4	3.3	1.4	1.9
Russia	10.4	5.6	7.3	6.7
Sub-Sahara Africa	19.4	20.3	13.1	10.9
Angola	13.6	28.2	21.6	16.3
Nigeria	24.7	31.4	23.0	22.0
Ghana	39.2	22.9	16.6	9.9

Source: IMF, World Economic Outlook October, 2025

8.1.2. World Trade

World trade volume is forecast to grow at an average rate of 3.6 percent in 2025, still higher than the 3.5 percent growth rate in 2024.

8.1.3. Inflation and Commodity Prices

Global headline inflation is projected to decline to 4.2 percent in 2025 from 5.8 percent in 2024.

In the United States, inflation is expected to pick up beginning in the second half of 2025 while decline to 2.7 percent in 2025 compared to 3.0 percent in 2024, as the impact of tariffs is no longer absorbed within supply chains and instead passed on to consumers.

Headline inflation in Japan forecasted to rise by 3.3 percent in 2025 from 2.7 percent in 2024.

Inflation is expected to decline to 13.1 percent in 2025 from 20.3 percent 2024 in Sub-Saharan Africa.

Oil prices are projected to decline by about 12.9 percent in 2025 from fall in 2024 by 1.8 percent. On the other hand, nonfuel commodity prices are expected to rise in 2025 by 7.4 percent from 3.7 in 2024.

8.1.4. Exchange Rate

In foreign exchange markets, the euro appreciated significantly both against the US dollar and in trade-weighted terms. The nominal effective exchange rate of the euro as measured against the currencies of 41 of the euro area's most important trading partners rose by 2.5 percent during the review period (from 6 March to 4 June 2025). A strong appreciation of 5.4 percent against the US dollar was largely driven by a shift in market expectations regarding the growth and inflation outlook for the United States. The euro also strengthened by 4.6 percent against the Chinese renminbi, with the latter initially weakening owing to the expected adverse impact of the US tariffs but recovering somewhat after a partial de-escalation of the US-China trade tensions. The euro appreciated significantly against the currencies of emerging market economies, which were also weighed down by US tariff and global growth concerns. Conversely, it depreciated by 2.0 percent against the Swiss franc.

8.2. Implications of International Economic Developments on the Ethiopia Economy

During FY 2024/25, the global economy is projected to slow down, and non-fuel commodities are expected to increase in 2025 albeit decline on oil price by 2025.

The higher price of non-oil commodities enforce the country to pay more for its capital goods import which in turn results in higher pressure in the country's trade balance. On the other hand, lower in oil price could have positive effect for Ethiopia in decline the forex payment for fuel imports as well as partly counterbalances improve in Ethiopia's current account balance.



National Bank of Ethiopia
(Federal Democratic Republic of Ethiopia)

Audited Financial Statements
For the year ended 30 June 2025



National Bank of Ethiopia

Financial Statements

For the year ended 30 June 2025

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National Bank of Ethiopia
Annual Financial Statements
For the year ended 30 June 2025

Statement of Director's Responsibility

The Directors are responsible for the preparation and fair presentation of the financial statements of National Bank of Ethiopia ("The Bank"), comprising the statement of financial position as at 30 June 2025, statements of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards.

To enable the Directors, meet those responsibilities, the Board of Directors (the "Board") and management sets standards and management implements systems of internal control, accounting and information systems aimed at providing reasonable assurance that assets are safeguarded, and the risk of error, fraud or loss is reduced in a cost-effective manner. These controls, contained in established policies and procedures, include the proper delegation of responsibilities and authorities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

To their best knowledge and belief, based on the above, the Directors are satisfied that no material breakdown in the operation of the systems of internal control and procedures has occurred during the year under review. The Directors have reviewed the performance and financial position of the Bank to the date of signing of these financial statements and its prospects based on prepared budgets and are satisfied that the Bank is a going concern and, therefore, have adopted the going concern assumption in the preparation of these financial statements.

Approval of the annual financial statements

The financial statements on pages 9 to 123 were approved by the Governor on behalf of the Board of Directors on 30 December 2025.

Signed on behalf of the Directors



Eyob Tekalign (PHD)
Governor



30 December 2025

INDEPENDENT AUDITOR'S REPORT **TO THE BOARD OF DIRECTORS OF THE NATIONAL BANK OF ETHIOPIA**

Report on the Audit of the Financial Statements

Audit Opinion

We have audited the financial statements of The National Bank of Ethiopia (the “Bank”), which comprise the statement of financial position as at 30 June 2025, and the related statement of profit or loss and other comprehensive income, 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 2025, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standard (IFRSs).

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 requirements of the International Ethics Standards Board for Accountants (IESBA), International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) and other independence requirements applicable to performing audits of financial statements in Ethiopia. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and other ethical requirements that are relevant to our audit of financial statements in Ethiopia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matter to be communicated in our report.

Key audit matter	How the matter was addressed in the audit								
1. Impairment of financial assets As discussed under Note 9 to the financial statements, the National Bank of Ethiopia extends various loans to private commercial banks, government banks, and the Government of Ethiopia, summarized as follows: <table border="1" data-bbox="76 421 801 589"> <tr> <td>Loan to government banks</td><td>114,160,396,802</td></tr> <tr> <td>Loans to private commercial banks</td><td>1,143,401,411</td></tr> <tr> <td>Due from Government of Ethiopia</td><td>739,584,073,003</td></tr> <tr> <td></td><td>854,887,871,216</td></tr> </table> The Bank conducted an impairment assessment of these assets as of 30 June 2025, and 30 June 2024. A provision of Birr 4,526,158,028 has been recognized for these balances, reflecting a decline from Birr 5,456,148,892 in 2024, which corresponds to a decline of 17%, resulting in reversal of impairment loss on these financial assets which amounts to Birr 929,990,864. The net reversal of credit losses reported in the statement of profit or loss and other comprehensive income amounts to Birr 815,607,632 after considering the additional expected credit loss made on other financial assets. The provision amount represents 0.53% (0.65% in 2024) of the total outstanding amount. The decline in provision is mainly attributable to decline in the probability of default for balance due from government of Ethiopia and decline in the outstanding exposures from government banks. Given the absence of credit ratings for both private commercial banks and government banks, along with the substantial amount due from the Government, we identified the assessment of impairments for these assets as a key audit matter due to the significant judgments applied by management. Key areas of significant judgment within the Expected Credit Loss (ECL) process included: - Assessing the expected cash flows associated with these instruments. - Evaluating whether an appropriate discount rate was used to calculate the ECL for these assets. - Assessing whether there was an elevated credit risk linked to other issued instruments and evaluating the appropriateness of the staging classification based on the Significant Increase in Credit Risk assessment. - Evaluating the validity of the references used to establish the relevant rates for loss given default and the probability of default for these instruments. The accounting policies, critical estimates and judgments, and impairment allowance are outlined in Notes 3(b), 9, and 28 (a) of the financial statements.	Loan to government banks	114,160,396,802	Loans to private commercial banks	1,143,401,411	Due from Government of Ethiopia	739,584,073,003		854,887,871,216	We conducted the following procedures on the Expected Credit Loss (ECL) for these financial instruments: - We assessed the design and evaluated the implementation of key controls related to the calculation of impairment losses. - We observed that the initial financial model was developed by third-party IFRS experts with the requisite experience. Subsequently, this model has been adapted by internal resources for the current reporting period, taking into account relevant factors that may impact its accuracy and reliability. - In evaluating the control design, we examined its suitability considering the nature and significance of the risk, the competence and authority of the individuals executing the control, and the frequency and consistency of its application. - We verified the completeness of these financial assets by obtaining confirmations and reconciling the carrying amounts of each asset category to ensure that all related exposures were thoroughly evaluated for impairment. - We consulted with our internal IFRS specialists to scrutinize the appropriateness of the discount rate used for calculating the present value of cash flows for the assets, confirming that the rate was suitable. - We questioned management regarding the appropriate staging and the determination of suitable Loss Given Default (LGD) and Probability of Default (PD) for each asset category. - We considered that the assumptions made by management are reasonable. - We assessed the reasonableness of key assumptions, including probability of default and macroeconomic scenarios, with reference to external data where relevant. - We also reviewed the ECL related disclosures to confirm that they complied with IFRS 9 requirements. - Assessing the appropriateness of credit risk staging, including qualitative SICR criteria. We have also tested the accuracy and completeness of data used in the ECL models. Based on the procedures conducted, we concluded that the judgments made by the Bank are reasonable, the forward-looking information, including selection and weighting of macroeconomic scenarios, are reasonable and that the related disclosures are appropriate.
Loan to government banks	114,160,396,802								
Loans to private commercial banks	1,143,401,411								
Due from Government of Ethiopia	739,584,073,003								
	854,887,871,216								



2. Negative equity and operating losses

As discussed in Note 2(a), the National Bank of Ethiopia incurred a net operating loss of Birr 428.56 billion and a net loss from operations totalling Birr 395.5 billion for the year. This has led to a negative equity balance of Birr 380 billion.

The operating losses were primarily due to:

- Unrealized net foreign exchange losses amounts to Birr 445 billion arising from the translation of the Bank's foreign currency assets and liabilities due to one of a correction to the change in foreign exchange regime.
- Loss on sales of gold and write-downs of gold commodities to net realizable value (NRV) which amounts to 57.2 billion Birr

According to the provisions of the National Bank of Ethiopia Proclamation No. 1359/2025, unrealized gains and losses is transferred to the Revaluation Reserve account, while other profits and losses will go to the General Reserve account. As a result, the General Reserve balance reflects a positive amount of 16.3 billion Birr, whereas the Revaluation Reserve account shows a deficit of 441.4 billion Birr as at 30 June 2025. This indicates that the Bank is significantly exposed to unrealized exchange losses, which will be realized when the repayment terms for most obligations are due. This exposure could possibly exceed the paid-up capital and General Reserve balances of the Bank when realized, necessitating a strategic intervention to effectively manage this challenge and ensure the going concern status of the Bank.

The assessment of the Bank's going concern status, along with the current period's operating loss, is considered a key audit matter due to the significant risks it presents, affecting:

- The Bank's ability to meet its operational and debt obligations as they become due.
- The Bank's capacity to fulfil its policy mandates, including maintaining stable rate of price and exchange, to foster a healthy financial system and to undertake such other related activities as are conducive to rapid economic development of Ethiopia, and
- The Bank's ability to continue operating as a going concern.

This situation necessitates careful evaluation and monitoring to address the going concern issues and results of its operation.



The National Bank of Ethiopia operates to achieve its policy mandates, which include maintaining price and financial stability. Therefore, the effectiveness of its interventions is evaluated based on their success in meeting these mandates. To assess the impact of the current period operating losses and the negative equity balance on the Bank's operations, we undertook the following procedures:

- We have discussed with management and those charged with governance regarding their assessment of the going concern status of the Bank, as well as their strategies to address the underlying causes of the operating losses and potential remedial actions to manage the negative equity position.
- We have reviewed the relevant provisions of the National Bank of Ethiopia Proclamation No. 1359/2025, particularly Article 8, which significantly enhances the Bank's policy solvency. The new proclamation raises the authorized capital of the Bank to Birr 20 billion, of which Birr 10 billion is paid-up. Additional provisions in the proclamation include measures to address liquidity and solvency issues, such as stipulations that unrealized gains must not be distributed but instead transferred to the revaluation reserve and the General Reserve Fund must be maintained at 5% of the Bank's monetary liabilities, and profit distribution cannot occur until this threshold is met. These provisions are anticipated to strengthen the Bank's capital base, improve its loss-absorption capacity, and positively impact its policy solvency.
- We have reviewed other policy reforms and interventions initiated by the Board to improve the Bank's operations and strengthen its equity position, thereby mitigating loss exposures from these initiatives. Notably, the Bank is currently conducting a comprehensive capital assessment and policy solvency study to evaluate the adequacy of its capital in fulfilling its mandate and to identify any necessary measures to ensure its financial sustainability.
- We assessed the impact of the Domestic Gold Purchase Program on the Bank's equity and reserve.
- We further examined the associated disclosures.

Based on the procedures performed, we concluded that the judgments made and the response strategies adopted by the Bank to address the going concern issue and resolve the underlying causes of the operating loss, as well as the resulting negative equity position, are reasonable. Additionally, the related disclosures were deemed appropriate.

3. Foreign exchange risk and currency conversion losses

As disclosed in Note 8(f), the National Bank of Ethiopia incurred a net unrealized foreign exchange losses amounting to ETB 445.2 Billion for the year ended 30 June 2025 (ETB 38.1 Billion in 2024). These losses are primarily attributable to one of a correction to the change in foreign exchange regime and the Bank's high exposure to foreign currency-denominated assets and liabilities, including obligations to international financial institutions and foreign currency reserves.

The accounting treatment of foreign currency transactions and balances is governed by IAS 21 – The Effects of Changes in Foreign Exchange Rates, which requires entities to apply appropriate spot rates at each reporting date and to recognize exchange differences in profit or loss.

Given the magnitude of the losses, the sensitivity of the results to currency movements, and the complexity of the underlying exposures, we determined that the assessment of foreign exchange losses constituted a key audit matter.



To address this matter, we designed and performed audit procedures to evaluate the accuracy, completeness, and compliance of the Bank's accounting for foreign currency transactions, including:

- Assessing the accounting policies adopted by the Bank for foreign currency translation and ensuring consistency with IAS 21 requirements.
- Recalculating the exchange differences for a sample of foreign currency balances (assets and liabilities) to test the mathematical accuracy and appropriateness of applied exchange rates.
- Reviewing year-end conversion rates to ensure they were based on observable and reliable sources, and that consistent methodologies were applied across all instruments.
- Testing internal controls over the foreign exchange management process, including approval mechanisms, and controls over the recognition of exchange gains or losses.

We also reviewed the disclosures provided in the financial statements to ensure they were transparent, complete, and informative regarding the nature and sources of foreign exchange losses. Based on the procedures performed, we considered that the accounting treatment and related disclosures were appropriate, and that the Bank had adequately presented the impact of foreign exchange volatility.

4. Classification and valuation of financial instruments

As presented in Notes 3(b), 9, 10, and 28 to the financial statements, the Bank holds a significant portfolio of financial instruments, including government securities, loans to commercial banks, investment placements, and deposits. These instruments are measured at amortized cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL) in accordance with IFRS 9 – Financial Instruments.

The classification of financial assets under IFRS 9 requires an evaluation of both the business model for managing the instruments and the results of the SPPI test (Solely Payments of Principal and Interest). These assessments involve significant management judgment, particularly for instruments with non-standard features or where the contractual terms are complex or perpetual in nature.

In addition, the Bank applies IFRS 13 – Fair Value Measurement for the determination of fair values. For certain instruments, especially those falling into Level 2 (observable inputs other than quoted prices) or Level 3 (unobservable inputs) of the fair value hierarchy, the use of valuation techniques and assumptions becomes critical. These include discount rate selection, expected cash flow modelling, and adjustments for liquidity or credit risk.

Due to the subjectivity, complexity, and materiality of these judgments, we considered the classification and valuation of financial instruments as a key audit matter.

Our audit procedures addressed both the classification criteria and the fair value measurement approaches applied by the Bank:

- We reviewed the Bank's assessment of its business models, including internal documentation, reporting structures, and evidence supporting whether financial assets were held to collect, to sell, or both.
- Evaluated whether accounting policies for classification, initial recognition and subsequent measurement are consistent with IFRS 9 and appropriately applied
- We evaluated the SPPI test outcomes, ensuring that the contractual cash flows of selected instruments represented only principal and interest.
- We tested the valuation techniques and assumptions used for instruments. This included evaluating the appropriateness of discount rates, cash flow forecasts, liquidity adjustments and consistency with IFRS 13 requirements.
- We reconciled fair value disclosures with supporting schedules and assessed compliance with IFRS 7 and IFRS 13, particularly in terms of fair value hierarchy classification and sensitivity disclosures.

Based on our work, we found that the classification decisions were appropriate and that the valuation methodologies were applied consistently and aligned with IFRS requirements.



Other information

The Directors are responsible for the other information. The other information comprises the Report of the Directors and the Annual Report, which is expected to be made available to us after the audit report date. The other information does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not and will not express an audit opinion or any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 IFRSs, 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 company'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 company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process and ensuring the adequacy of internal controls and risk management.

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.



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism 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 bases 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, misrepresentations, 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the 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 conditions that may cast significant doubt on the Company'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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statement represents 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, actions taken to eliminate threats or safeguards applied. 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 year 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 Seid Abdela, FCCA

MSE Audit Service LLP
Chartered Certified Accountants



Addis Ababa
30 December 2025

National Bank of Ethiopia
Statement of Profit or Loss and Other Comprehensive Income
For the year ended 30 June 2025
(In Ethiopian Birr)

	<u>Note</u>	<u>30 June 2025</u>	<u>30 June 2024</u>
Interest income	4	46,918,855,325	27,997,420,307
Interest expense	4	(24,450,104,761)	(9,272,965,249)
Net interest income		22,468,750,564	18,724,455,058
Fee and commissions income	5	34,665,189,471	13,406,174,311
Revenue from sale of gold	6	275,215,331,595	4,978,625,325
Other income	7(a)	17,514,152,169	250,861,069
Net non-interest income		327,394,673,235	18,635,660,705
Net operating income		349,863,423,799	37,360,115,763
Currency costs	8 (a)	-	(1,030,743,077)
General and administration costs*	8 (b)	(17,744,567,097)	(492,910,264)
Salaries and related benefits	8 (c)	(705,831,978)	(600,216,540)
Gold purchase, refinery, and other related costs	8 (d)	(315,557,644,654)	(6,920,772,961)
Impairment losses on financial assets	8(e),9,15	815,607,632	(691,015,146)
Operating surplus/deficit before unrealised gains/losses		16,670,987,702	27,624,457,775
Unrealized Gain/Loss			
Foreign Exchange Gain/Loss*	8(f)	(445,232,054,700)	(38,136,853,903)
Operating surplus/Deficit for the year		(428,561,066,998)	(10,512,396,128)
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Measurement of defined benefit obligation	25 (b)	29,936,428	50,478,770
Fair value gains / (losses) on financial assets	7(b)	33,029,810,861	801,483,553
Other comprehensive income		33,059,747,289	851,962,323
Total comprehensive profit/(loss)		(395,501,319,709)	(9,660,433,805)

*To enhance comparability in the presentation of unrealized foreign exchange gains and losses, the prior year balance of foreign exchange loss/gain recorded under General & Administrative Expenses and transferred to the General Reserve in accordance with the former proclamation, which did not distinguish between realized and unrealized amounts, has now been reclassified and reported separately. In line with the requirements of the new proclamation, the balance is presented separately under Unrealized Foreign Exchange Losses, as the majority of the exchange losses reported in the prior year represented unrealized in nature. The reclassification is made for disclosure purpose only and doesn't restate the general reserve balance as reported in the SFP.

The notes on pages 13 to 123 are an integral part of these financial statements.



National Bank of Ethiopia
Statement of Financial Position
As at 30 June 2025
(In Ethiopian Birr)

Assets	Note	30 June 2025	30 June 2024
Balances due from foreign entities - Commercial banks	9 (c)	126,334,596,704	32,055,598,466
Balances due from foreign entities - Central banks	9 (d)	456,880,198,197	47,483,737,622
Cash - foreign currencies	9 (e)	8,881,794,696	712,631,306
Funds held with IMF	9 (f), 18	3,696,567,731	176,870,099
IMF Quota Subscription	18	53,544,400,719	22,557,124,177
Gold commodity	11	88,619,257,204	141,169,916
Loans to government banks	9 (b)	113,560,820,595	134,058,854,802
Loans to private commercial banks	9 (g)	1,101,152,729	13,209,468,542
Equity Investment	10	3,284,445,072	1,130,087,452
Property and equipment	13	3,439,001,189	2,023,678,015
Other assets	15	67,787,307,472	18,264,837,377
Intangible asset	14	-	427,643
Due from Government of Ethiopia	9 (a)	735,699,739,861	683,336,429,771
Right of use asset	16	117,478,691	5,634,610
Total assets		1,662,946,760,860	955,156,549,798
Liabilities			
Currency in circulation	21	344,538,456,488	258,835,844,757
Deposits due to local financial institutions, government, and government institutions	17	749,377,839,392	352,308,833,697
Due to International Monetary Fund (IMF)	18	394,176,089,488	81,338,275,471
Funds due to international financial institutions	19	34,939,120	35,839,398
Due to other institutions	20	552,612,828,833	232,846,343,070
Due to the Ministry of Finance	24	-	-
Deferred revenue	23(d)	12,990,855	8,392,833
Lease liability	16	115,627,447	5,893,892
Provisions	22	48,872,657	44,465,837
Employee benefits	25	443,528,821	408,533,094
Other liabilities	26	1,630,332,106	23,367,552,387
Total Liabilities		2,042,991,505,207	949,199,974,436
Equity			
Capital	27 (a)	10,000,000,000	500,000,000
General reserve	27 (b)	16,293,799,364	(377,188,338)
Retained earnings	27 (d)	-	-
Fair value reserve	27 (e)	35,426,905,735	2,397,094,874
Defined benefit reserve	25 / 27(f)	(38,967,250)	(68,903,678)
International reserve valuation	27 (c)	(441,382,856,046)	3,849,198,654
Other reserve	27 (g)	(343,626,150)	(343,626,150)
Total equity		(380,044,744,347)	5,956,575,362
Total liabilities and equity		1,662,946,760,860	955,156,549,798

The notes on pages 13 to 123 are an integral part of these financial statements.



National Bank of Ethiopia
Statement of Changes in Equity
For the year ended 30 June 2025
(In Ethiopian Birr)

	Note	Capital	General reserve	Other Reserve	International reserve valuation	Retained earnings	Defined benefit reserve	Fair value reserve	Total Equity
Balance as of 1 July 2023		500,000,000	(985,668,162)	(343,626,150)	3,849,198,654	-	(119,382,448)	1,595,611,321	4,496,133,215
Total comprehensive income:									
Profit/Loss for the year	27 (d)	-	-	-	-	(10,512,396,128)	-	-	(10,512,396,128)
Other comprehensive income	27 (f)	-	-	-	-	-	50,478,770	801,483,553	851,962,323
Total comprehensive income		-	-	-	-	(10,512,396,128)	50,478,770	801,483,553	(9,660,433,805)
Transactions with owners of the Bank:									
Transfer to / (from) General reserve	27 (b)	-	(10,512,396,128)	-	-	10,512,396,128	-	-	-
Transfer from MOF	24/27 (d)	-	11,120,875,952	-	-	-	-	-	11,120,875,952
Balance as at 30 June 2024		500,000,000	(377,188,338)	(343,626,150)	3,849,198,654	-	(68,903,678)	2,397,094,874	5,956,575,362
Total comprehensive income:									
Profit for the year	27 (d)	-	-	-	-	(428,561,066,998)	-	-	(428,561,066,998)
Other comprehensive income	27 (f)	-	-	-	-	-	29,936,428	33,029,810,861	33,059,747,289
Total comprehensive income		-	-	-	-	(428,561,066,998)	29,936,428	33,029,810,861	(395,501,319,709)
Transactions with owners of the Bank:									
Transfer to / (from) General reserve	27 (b)	-	16,670,987,702	-	(445,232,054,700)	428,561,066,998	-	-	-
Increase in paid-up capital	24/27(d)	9,500,000,000	-	-	-	-	-	-	9,500,000,000
Balance as of 30 June 2025		10,000,000,000	16,293,799,364	(343,626,150)	(441,382,856,046)	-	(38,967,250)	35,426,905,735	(380,044,744,347)

The notes on pages 13 to 123 are an integral part of these financial statements.



National Bank of Ethiopia
Statement of Cash Flows
For the year ended 30 June 2025
(In Ethiopian Birr)

	<u>Note</u>	<u>30 June 2025</u>	<u>30 June 2024</u>
Cash flows from operating activities:			
Operating surplus/Loss for the year		(428,561,066,998)	(10,512,396,128)
Changes in Impairment of loans and advances	8(e), 9, 15	(815,607,633)	691,015,146
Depreciation and amortization	13, 14, 16	129,546,238	102,418,314
Net interest income	4	(22,468,750,564)	(18,724,455,058)
Dividend income	7	(124,156,095)	(35,852,659)
Interest paid on lease obligation	16	4,293,413	376,937
Loss/ (Gain) on disposal of property, plant, and equipment	13	436,236	1,294,941
Loss on inventory write down	11	16,860,394,874	78,942,028
Net Unrealized foreign exchange (gains)/losses	8(f)	445,232,054,700	38,136,853,903
		<u>10,257,144,171</u>	<u>9,738,197,424</u>
Changes in working capital:			
Loans to government banks and commercial banks	9 (b, c, g)	31,894,891,175	5,537,874,737
Other assets	15	(40,020,202,130)	617,299,750
Deposits due from foreign entities – central banks and commercial banks	9(c,d)	(31,240,949,225)	(1,786,108,060)
Currency in circulation	21	85,702,611,731	2,980,214,577
Due to International Monetary Fund (IMF)	18	312,579,055,327	(9,336,796,780)
Due to International financial institutions	19	(900,278)	25,984,656
Due to other institutions	20	310,761,100,948	120,725,389,051
Deposits due to local financial institutions, government, and government institutions	17	396,975,600,936	(7,621,357,668)
Gold commodity	11	(105,338,482,162)	(125,007,129)
Due from Government of Ethiopia	9 (a)	(49,570,628,132)	(100,602,039,994)
Provisions	22	4,406,820	3,046,133
Deferred revenue	23 (d)	4,598,022	(486,013)
Employee benefits	25	64,932,155	64,239,540
Other liabilities	26	(21,737,220,281)	22,412,480,687
Interest income received		45,767,623,075	27,701,394,719
Interest expense paid		(15,092,556,497)	(7,403,242,024)
Net cash provided by operating activities		<u>931,011,025,655</u>	<u>62,931,083,606</u>
Cash flows from investing activities:			
Increase of ROU assets	16	(130,476,714)	(4,062,894)
Dividends received	7	124,156,095	35,852,659
Increase in equity investment & IMF quota*	10	(111,823,300)	(30,723,355)
Acquisition of properties and equipment	13	(1,526,245,373)	(690,545,287)
Net cash used in investing activities		<u>(1,644,389,292)</u>	<u>(689,478,877)</u>
Cash flows from financing activities:			
Payments on finance lease obligations	16	(24,988,320)	(1,333,277)
(Increase)/decrease in lease measurement	16	130,428,462	3,759,782
Net cash from financing activities		<u>105,440,142</u>	<u>2,426,505</u>
Increase (decrease) in cash and cash equivalents		<u>929,472,076,505</u>	<u>62,244,031,234</u>
Cash and cash equivalents at beginning of period	9 (f)	58,870,096,410	34,762,919,079
Effect of foreign exchange rate changes on cash and cash equivalents	8(f)	(445,232,054,700)	(38,136,853,903)
Cash and cash equivalents at end of period	9 (f)	<u>543,110,118,215</u>	<u>58,870,096,410</u>

*Fair value related adjustments of Equity investment and CVA of IMF quota subscription measured through OCI has been excluded from the cash flow statement (as per IAS-7 p.43). For detail refer (note 10 & 18).

The notes on pages 13 to 123 are an integral part of these financial statements.



National Bank of Ethiopia
Notes to the Financial Statements
For the year ended 30 June 2025
(In Ethiopian Birr)

1. Reporting entity

National Bank of Ethiopia ("the Bank") is the Central Bank of Ethiopia. It was established by Order No. 30/1963 as an autonomous institution. It is governed by the National Bank of Ethiopia (NBE) Proclamation No. 1359/2025 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 and acts as the banker, fiscal agent and financing advisor of the Government of Ethiopia and is domiciled in Ethiopia.

2. Basis of preparation

(a) Going concern

The National Bank of Ethiopia recorded a net operating loss of Birr 428.56 billion for the 2024/2025 financial year. However, in accordance with article 8(4) of the National Bank of Ethiopia Proclamation No. 1359/2025, the Bank transferred its net operating surplus before unrealized gains or losses, amounting to Birr 16.67 billion, to the General Reserve Fund. Such transfer will continue until the General Reserve reaches 5% of the Bank's monetary liabilities, as prescribed under the Proclamation. As a result, the General Reserve reflected a positive balance of Birr 16.3 billion as at 30 June 2025, compared to a negative balance of Birr 0.4 billion in the prior year.

The net operating loss for 2024/2025 financial year was primarily attributable to unrealized net foreign exchange losses arising from the translation of the Bank's foreign currency assets and liabilities following exchange rate realignment. In accordance with article 8(4) of the Proclamation, these unrealized net foreign exchange losses were transferred to revaluation reserve.

In the view of the Board of Directors and Management, the Bank will continue to operate as a going concern. A central bank is considered policy solvent when it generates sufficient realized income to cover the costs associated with monetary policy operations. In this context, the bank generated adequate realized income in the financial year to cover the costs associated with the discharge of its core mandates. Moreover, the Bank is conducting a comprehensive capital assessment and policy solvency study to evaluate the adequacy of its capital in supporting its mandate and to identify any measures required to safeguard its financial sustainability during and after the reform period.

Given the expectation of more favorable macroeconomic conditions, arising from ongoing and wide-ranging policy reforms, the Directors believe that the risk to the Bank's ability to generate sufficient income to sustain its monetary policy operations is minimal.

In addition, Management has assessed the impact of the National Bank of Ethiopia Proclamation No. 1359/2025 on the Bank's solvency. Based on this assessment, management believes that the provisions under Article 8 of the Proclamation significantly enhance the policy solvency of the Bank. Article 8, Sub-article 1, establishes the authorized capital of the Bank at Birr 20 billion, of which Birr 10 billion is paid-up capital. Furthermore, Article 8, Sub-article 4(a), stipulates that unrealized gains shall not be distributed but shall be transferred to the revaluation reserve. In addition, the General Reserve Fund is required to be maintained at 5% of the Bank's monetary liabilities, and no profit distribution shall occur until this threshold is achieved.

These provisions are expected to strengthen Bank's capital base, enhance its loss-absorption capacity, and contribute positively to its policy solvency.

Based on the foregoing, the Directors have a reasonable expectation that these measures will support the Bank's continued operational effectiveness and long-term sustainability.

Accordingly, the financial statements of the Bank have been prepared on a going-concern basis.



National Bank of Ethiopia
Notes to the Financial Statements
For the year ended 30 June 2025
(In Ethiopian Birr)

2. Basis of preparation (Continued)

(b) Statement of compliance

The accompanying financial statements of the Bank have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and National Bank of Ethiopia Proclamation No. 1359/2025.

Extension of Pronouncement on the Application of International Accounting standard (IAS 29), Financial Reporting in Hyperinflationary Economies, in Ethiopia by Accounting and Auditing Board of Ethiopia

The Accounting and Auditing Board of Ethiopia is a statutory body established under Ethiopia Council of Ministers Regulation No. 332/2014 basing the financial reporting proclamation 847/2014, to regulate the accounting profession as well as for issuing a national professional accountancy qualification in Ethiopia. As part of its regulatory functions, it issued Pronouncement No. AABE/002/2025, reaffirming that the evidence and conclusions outlined in Pronouncement No. AABE/001/2023 remains valid. Specifically, the indicators of a hyperinflationary economy, as outlined in paragraph 3 of IAS 29 including a cumulative three-year inflation rate approaching or exceeding 100% are not currently evident in the Ethiopian economy. The statutory body concluded that, Ethiopia is not operating in a hyperinflationary economy. The requirements of IAS 29 are therefore deemed not applicable in the recognition, measurement, presentation, and disclosures in the financial statements for the financial year ended 30 June 2025.

Accounting standards are applied on the assumption that the value of money (the unit of measurement) is Constant over time. However, when the rate of inflation is no longer negligible, a number of issues arise impacting the true and fair nature of the accounts of entities that prepare their financial statement on historical cost basis. To address such concerns International Accounting Standards Board has issued IAS 29, Financial Reporting in Hyperinflationary Economies. However, IAS 29 does not establish an absolute inflation rate at which an economy is considered hyperinflationary. Instead, it considers a variety of non-exhaustive factors to determine the existence of hyperinflation. The indicators stated under paragraph 3 of the standard include, but are not limited to, the following:

- a. The general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency. Amounts of local currency held are immediately invested to maintain purchasing power;
- b. The general population regards monetary amounts not in terms of the local currency but in terms of a relatively stable foreign currency. Prices may be quoted in that currency;
- c. Sales and purchases on credit take place at prices that compensate for the expected loss of purchasing power during the credit period, even if the period is short;
- d. Interest rates, wages, and prices are linked to a price index; and
- e. The cumulative inflation rate over three years is approaching, or exceeds, 100%.



National Bank of Ethiopia
Notes to the Financial Statements
For the year ended 30 June 2025
(In Ethiopian Birr)

2. Basis of preparation (Continued)

(b) Statement of compliance (continued)

Given most of the criteria (a-e) stated above and based on the assessments conducted to check whether Ethiopia is hyperinflationary economy or not, the Accounting and Auditing Board of Ethiopia has concluded that Ethiopia is not a hyperinflationary economy for the year 2024, 2025 and beyond, unless new evidence emerges and a new revised pronouncement issued.

Moreover, According to data in the World Economic Outlook (WEO) report issued by the International Monetary Fund (IMF) in April 2025, Ethiopia is no more considered as hyperinflation economy.

Therefore, the requirements of IAS 29 are not applicable for financial reporting for the year ended 30 June 2025.

On 30 December 2025, the Governor authorized the issuance of the accompanying financial statements.

(c) Basis of accounting

The financial statements have been prepared on the historical cost basis, except for the following significant items:

1. Financial instruments measured at amortised cost and at fair value; and
2. Measurement of defined benefits obligations: key actuarial assumptions.

(d) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Bank operates (the "Functional currency").

The financial statements are presented in Ethiopian Birr (ETB), which is the Bank's functional currency, and all values are rounded to the nearest Birr, except when otherwise indicated.

(e) Use of judgments and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Judgments

Information about judgment made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:



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2. Basis of preparation (Continued)

(e) Use of judgments and estimates (Continued)

Note 3 (b (ii)) - Classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial assets are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding;

Note 3 (b (viii)) - Establishing the criteria for determining whether credit risk on the financial asset has increased significantly since initial recognition, determining methodology for incorporating forward-looking information into measurement of Expected Credit Losses (ECL) and selection and approval of models used to measure ECL; and Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively in the financial statements.

Estimates on uncertainties and assumptions

Information on assumptions and uncertainty of estimates posing a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the year ending 30 June 2025 is included in the following notes as set out below:

Note 3 (b (i; ii)) – identification and measurement of financial instruments;

Note 3 (c) and (d) – useful lives and salvage value of tangible and intangible assets;

Note 3 (e) - Leases; whether a contract contains a lease.

Note 3 (k) – measurement of employee benefits liability: key actuarial assumptions;

Note 3 (b) (viii) - impairment of financial instruments: key assumptions used in estimating recoverable cash flows; and

Note 3 (j) and (t) – recognition and measurement of provisions and contingencies.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.



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3. Significant accounting policies

(a) Foreign currency transactions

Transactions in foreign currencies on a day to day basis are recorded at the respective buying and selling rate. The closing balances on these foreign currency accounts at the close of business are translated using the mid-exchange rate.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the mid-exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in the foreign currency translated at the mid-exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate at the date on which the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction.

Foreign currency differences arising on translation are generally recognised in profit or loss.

(b) Financial instruments

(i) Recognition and initial measurement

The Bank initially recognizes cash, loans and advances, deposits, and debt securities on the date on which they are originated. All other financial instruments (including assets designated at fair value through profit or loss) are initially recognized on the trade date on which the Bank becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

a. Financial assets:

On initial recognition, financial assets are classified into one of the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL);
- Elected at fair value through other comprehensive income (equities only); or
- Designated at FVTPL



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

a. Financial assets (continued)

Financial assets include both debt and equity instruments. Financial assets are not reclassified subsequent to their initial recognition unless the Bank changes its Business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the Business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Bank may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Debt instruments, including loans and debt securities, are classified into one of the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI);
- Fair value through profit or loss (FVTPL); or
- Designated at FVTPL



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

(a.) Financial assets (continued)

Classification of debt instruments is determined based on:

- (i) The business model under which the asset is held; and
- (ii) The contractual cash flow characteristics of the instrument.

Business model assessment

Business model assessment involves determining how financial assets are managed in order to generate cash flows. The Bank's business model assessment is based on the following categories:

- *Held to collect:* The objective of the business model is to hold assets and collect contractual cash flows. Any sales of the asset are incidental to the objective of the model.
- *Held to collect and for sale:* Both collecting contractual cash flows and sales are integral to achieving the objectives of the business model.
- *Other business model:* The business model is neither held-to-collect nor held-to-collect and for sale.

The Bank makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Bank's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

a. Financial assets (continued):

Business model assessment (continued)

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Bank's continuing recognition of the assets.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessments whether contractual cash flows are solely payments of principal and interest

The contractual cash flow characteristics assessment involves assessing the contractual features of an instrument to determine if they give rise to cash flows that are consistent with a basic lending arrangement. Contractual cash flows are consistent with a basic lending arrangement if they represent cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI).

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g., liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Bank considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse asset arrangements); and
- Features that modify consideration of the time value of money – e.g., periodical reset of interest rates.



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

a. Financial assets (continued):

Assessment whether contractual cash flows are solely payments of principal and interest (continued)

Debt instruments measured at amortized cost

Debt instruments are measured at amortized cost if they are held within a business model whose objective is to hold for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. After initial measurement, debt instruments in this category are carried at amortized cost. Interest income on these instruments is recognized in interest income using the effective interest rate method. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. Amortized cost is calculated by taking into account any discount or premium on acquisition, transaction costs and fees that are an integral part of the effective interest rate.

Impairment on debt instruments measured at amortized cost is calculated using the expected credit loss approach. Loans and debt securities measured at amortized cost are presented net of the allowance for credit losses (ACL) in the statement of financial position.

Debt instruments are measured at FVOCI if they are held within a business model whose objective is to hold for collection of contractual cash flows and for selling financial assets, where the assets' cash flows represent payments that are solely payments of principal and interest. Subsequent to initial recognition, unrealized gains and losses on debt instruments measured at FVOCI are recorded in other comprehensive income (OCI). Upon derecognition, realized gains and losses are reclassified from OCI and recorded in non-interest income in the Statement of Profit or Loss and Other Comprehensive Income on an average cost basis. Foreign exchange gains and losses that relate to the amortized cost of the debt instrument are recognized in the Statement of Profit or Loss and Other Comprehensive Income.

Premiums, discounts, and related transaction costs are amortized over the expected life of the instrument to Interest income in the Statement of Profit or Loss and Other Comprehensive Income using the effective interest rate method.



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

a. Financial assets (continued):

Debt instruments measured at FVOCI (Continued)

Impairment on debt instruments measured at FVOCI is calculated using the expected credit loss approach. The allowance for credit losses (ACL) on debt instruments measured at FVOCI does not reduce the carrying amount of the asset in the Statement of Financial Position, which remains at its fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI with a corresponding charge to provision for credit losses in the Statement of Profit or Loss and Other Comprehensive Income. The accumulated allowance recognised in OCI is recycled to the Statement of Profit or Loss and Other Comprehensive Income upon derecognition of the debt instrument.

Debt instruments measured at FVTPL

Debt instruments are measured at FVTPL if assets:

- i) Are held for trading purposes;
- ii) Are held as part of a portfolio managed on a fair value basis; or
- iii) Whose cash flows do not represent payments that are solely payments of principal and interest.

These instruments are measured at fair value in the Statement of Financial Position, with transaction costs recognized immediately in the Statement of Profit or Loss and Other Comprehensive Income as part of non-interest income. Realized and unrealized gains and losses are recognized as part of non-interest income in the Statement of Profit or Loss and Other Comprehensive Income.

Debt instruments designated at FVTPL

Financial assets classified in this category are those that have been designated by the Bank upon initial recognition, and once designated, the designation is irrevocable. The FVTPL designation is available only for those financial assets for which a reliable estimate of fair value can be obtained.

Financial assets are designated at FVTPL if doing so eliminates or significantly reduces an accounting mismatch which would otherwise arise. The decision to designate relates to assets that otherwise meet requirements to be measured at amortised cost or as at FVOCI but are designated as at FVTPL to reduce account mismatch.



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

a. Financial assets (continued):

Debt instruments designated at FVTPL (Continued)

Financial assets designated at FVTPL are recorded in the Statement of Financial Position at fair value. Changes in fair value are recognized in non-interest income in the Statement of Profit or Loss and Other Comprehensive Income.

Equity instruments

Equity instruments are classified into one of the following measurement categories:

- Fair value through profit or loss (FVTPL); or
- Elected at fair value through other comprehensive income (FVOCI).

Equity instruments measured at FVTPL

Equity instruments are measured at FVTPL, unless an election is made to designate them at FVOCI upon purchase, with transaction costs recognized immediately in the Statement of Income as part of non-interest income. Subsequent to initial recognition the changes in fair value are recognized as part of non-interest income in the Statement of Profit or Loss and Other Comprehensive Income.

Equity instruments measured at FVOCI

At initial recognition, there is an irrevocable option for the Bank to classify non-trading equity instruments at FVOCI. This election is used for certain equity investments for strategic or longer-term investment purposes. This election is made on an instrument-by-instrument basis and is not available to equity instruments that are held for trading purposes.

Gains and losses on these instruments including when derecognized/sold are recorded in OCI and are not subsequently reclassified to the Statement of Profit or Loss and Other Comprehensive Income. As such, there is no specific impairment requirement.

Dividends received are recorded in other income in the Statement of Profit or Loss and Other Comprehensive Income. Any transaction costs incurred upon purchase of the security are added to the cost basis of the security and are not reclassified to the Statement of Profit or Loss and Other Comprehensive Income on sale of the security.



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

a. Financial assets (continued):

Reclassifications

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Bank changes its business model for managing financial assets.

b. Financial liabilities

The Bank classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost.

The financial instruments at NBE have been classified into one of the following categories and their measurement criteria defined as follows based on their nature and business purpose:

Financial assets	Measurement criteria
Due from Government of Ethiopia (Note 9(a))	Amortised cost
Loans to government banks (Note 9(b))	Amortised cost
Due from foreign institutions – commercial banks (Note 9 (c))	Amortised cost
Due from foreign institutions – central banks (Note 9(d))	Amortised cost
Cash - foreign currencies (Note 9 (e))	Amortised cost
Funds held with IMF (Note 9 (f))	Amortised cost
Loans to private commercial banks (Note 9 (g))	Amortised cost
Loans to employees (Note 15 (a))	Amortised cost
Equity Investment and IMF Quota Subscription (Note 10 & 18)	Fair value through OCI

Financial liabilities	Measurement criteria
Deposits from banks and government (Note 17)	Amortised cost
Due to International Monetary Fund (IMF) (Note 18)	Amortised cost
Due to international financial institutions (Note 19)	Amortised cost
Due to other institutions (Note 20)	Amortised cost
Currency in circulation (Note 21)	Fair value



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(iii) Derecognition

Financial assets

The Bank derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in profit or loss.

Any cumulative gain/loss recognized in OCI in respect of equity investment securities designated as at FVOCI is not recognized in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Bank is recognized as a separate asset or liability.

In transactions in which the Bank neither retains nor transfers substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Bank continues to recognize the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

Financial liabilities:

The Bank derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Bank also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(iv) Modifications of financial assets and financial liabilities

Financial assets:

If the terms of a financial asset are modified, the Bank evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value.

If the terms of a financial asset were modified because of financial difficulties of the borrower and the asset was not derecognized, then impairment of the asset was measured using the pre-modification interest rate.

Financial liabilities:

The Bank derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

(v) Offsetting

Financial assets and liabilities are offset and the net amount is presented in the statement of financial position when, and only when, the Bank has a legally enforceable right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

(vi) Amortized cost measurement

The 'amortized cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount recognized and the maturity amount, minus any reduction for impairment.



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(vii) Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Bank uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Bank determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For Assets and liabilities were fair value approximates carrying value, the Bank has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above for the purpose of fair value disclosures only.



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(viii) Impairment of financial assets (continued)

The Bank recognises loss allowances for ECL on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables;
- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss is recognised on equity investments.

The Bank measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- debt investment securities that are determined to have low credit risk at the reporting date; and
- other financial instruments (other than lease receivables) on which credit risk has not increased significantly since their initial recognition.

Loss allowances for lease receivables are always measured at an amount equal to lifetime ECL.

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

The Bank considers a debt security to have low credit risk when their credit risk rating is equivalent to the globally understood definition of 'investment grade'.

12-month ECL is the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Measurement of Expected Credit Losses (ECL)

Expected Credit Losses (ECL) is a probability-weighted estimate of credit losses. They are measured as follows:

- *financial assets that are not credit-impaired at the reporting date*: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive);

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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(viii) Impairment of financial assets (continued)

- *financial assets that are credit-impaired at the reporting date:* as the difference between the gross carrying amount and the present value of estimated future cash flows;
- *undrawn loan commitments:* as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- *financial guarantee contracts:* the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognised and ECL are measured as follows.

- If the expected restructuring will not result in derecognition of the existing asset, then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Bank assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Bank on terms that the Bank would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for a security because of financial difficulties.



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3. Significant accounting policies (continued)

(b) Financial instruments (continued)

(viii) Impairment of financial assets (continued)

Credit-impaired financial assets (continued)

A loan that has been renegotiated due to deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

In making an assessment of whether an investment in sovereign debt is credit-impaired, the Bank considers the following factors:

- The market's assessment of creditworthiness as reflected in the bond yields.
- The rating agencies' assessments of creditworthiness.
- The country's ability to access the capital markets for new debt issuance.
- The probability of debt being restructured, resulting in holders suffering losses through voluntary or mandatory debt forgiveness.

There are also international support mechanisms in place to provide the necessary support to NBE as 'lender of last resort' to that country, as well as the intention, reflected in public statements, of governments and agencies to use those mechanisms. This includes an assessment of the depth of those mechanisms and, irrespective of the political intent, whether there is the capacity to fulfil the required criteria.

Presentation of loss allowance in the statement of financial position

Loss allowances for Expected Credit Losses (ECL) are presented in the statement of financial position as follows:

- *financial assets measured at amortised cost*: as a deduction from the gross carrying amount of the assets;
- *loan commitments and financial guarantee contracts*: generally, as a provision;
- *Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component*: the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- *Debt instruments measured at FVOCI*: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the fair value reserve.

Write-off

Loans and debt securities are written off (either partially or in full) when there is no realistic prospect of recovery. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Bank's procedures for recovery of amounts due.



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3. Significant accounting policies (continued)

(c) Property and equipment

(i) Recognition and measurement

Items of property and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation, cumulative impairment losses and residual value.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

If significant parts of an item of property or equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment are determined by comparing the proceeds from disposal with the carrying amount of property and equipment and are recognized net within operating and administrative expenses in profit or loss.

(ii) Subsequent costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits of the expenditure will flow to the Bank and the cost of the item can be measured reliably. Ongoing repairs and maintenance are expensed as incurred.

(iii) Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss. Land is not depreciated.

The estimate useful lives and residual values of significant items of property and equipment are as follows:

Asset classification	Useful life	Depreciation rate	Residual value
Buildings	20 years	5%	25%
Furniture and fittings	5 years	20%	1%
Office and other equipment	5 years	20%	1%
Motor vehicles	5 years	20%	25%

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted prospectively, if appropriate.



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3. Significant accounting policies (continued)

(d) Intangible assets

(i) Software

Software acquired by the Bank is measured at cost less accumulated amortization and any accumulated impairment losses. Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortized on the basis of the expected useful lives.

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. Directly attributable costs that are capitalized as part of the software product include the software development employee costs and an appropriate portion of relevant overheads. All other expenditure is expensed as incurred.

Software is amortized on a straight-line basis in profit or loss over its estimated useful life, from the date on which it is available for use. The estimated useful life of software for the current and comparative periods is 5 years this is amortized at a rate of 20% less the residual value. The estimated residual value of software for the current period and comparative periods is nil. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(e) Leases

(i) Bank acting as a lessee

The Bank recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Bank's incremental borrowing rate as the discount rate. The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future leases payments arising from a change in a rate.

After the commencement date, the Bank measures the right-of-use asset applying a cost model (cost less any cumulative depreciation and any cumulative impairment). In the case of the lease liability, the Bank measures it by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments



National Bank of Ethiopia
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3. Significant accounting policies (continued)

(e) Leases (continued)

(i) Bank acting as a lessee (continued)

Made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

Short-term leases and leases of low-value assets

The Bank has elected not to recognise right-of-use assets and lease liabilities for short-term leases of equipment that have a lease of 12 months or less and leases of low-value assets defined as those below ETB 135,000 (equivalent to USD 5,000 at an exchange rate of USD1 to ETB27, the prevailing mid-rate as at 2016). The Bank recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(ii) Bank acting as a lessor – Finance leases

Where the Bank is the lessor, it determines at lease inception whether each of its leases is an operating or finance lease.

Finance lease

A lease agreement that transfers substantially all of the risks and rewards incidental to ownership of the asset to the lessee, then the arrangement is classified as a finance lease and a receivable equal to the net investment in the lease is recognized and presented within receivables.

At the commencement date, the Bank recognizes assets held under a finance lease in its statement of financial position and presents them as a receivable at an amount equal to the net investment in the lease. After the initial measurement, the Bank recognizes finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

Operating lease

A lease agreement that does not transfer substantially all of the risks and rewards incidental to the ownership of the asset to the lease is classified as an operating lease.

The Bank recognizes lease payments from operating leases as income on either a straight-line basis or another systematic basis. The Bank applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.



National Bank of Ethiopia
Notes to the Financial Statements
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3. Significant accounting policies (continued)

(f) Taxes

The Bank is exempt from income tax as defined under article 46 of Proclamation No. 1359/2025.

(g) Accounting for currency expenses

The cost relating to printing of bank notes and minting of coins are charged to profit or loss in the period in which the notes and coins are received by the bank from the printing company.

(h) Currency in circulation

Notes and coins in circulation are recorded at fair value. The fair value of notes and coins approximates their carrying value and represents the nominal value of all bank notes and coins held by the public and commercial banks.

(i) Inventories

The bank holds gold, office and other consumables as inventory. Included in the office and other consumables are spare parts, stationery items, fuel and lubricants, tyres and inner tubes and cleaning and sanitary items. Refer to Note 15(c) for the qualitative disclosures.

Gold inventory is initially measured at the lower of cost and net realizable value while office and other consumables are measured at cost.

Cost of inventories comprises of purchase price (after deducting trade discounts), and related tax and duty for imports, any costs directly attributable to the acquisition of the stock item such as transport costs, labor costs, unpacking, temporary warehousing fees and inspection costs and destination charges in case of imports.

Net realizable value is the price at which the inventory can be realised in the normal course of business after allowing for costs of realisation. The cost of inventories to the Bank is determined on a First in First Out (FIFO) basis.

(j) Provisions

A provision is recognized if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably as at the Statement of Financial Position date, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognized for future operating losses. Provisions at NBE are recognized in respect of legal cases and bonus payments to employees as well as to board members who are not employees of the bank.



National Bank of Ethiopia
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3. Significant accounting policies (continued)

(k) Employee benefits

(i) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Bank accounts not only for its legal obligation but also for any constructive obligation that arise from the Bank's customary practices. A customary practice in place gives rise to a constructive obligation where the Bank has no realistic alternatives but to pay employee benefits.

The Bank's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value, and any unrecognized past service costs and the fair value of any plan assets is deducted.

The discount rate is the yield at the reporting date on governmental bonds that have maturity dates approximating the terms of the Bank's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. This method takes into account various parameters, specific to the Ethiopia market such as demographic assumptions, the probability that employees will leave before retirement age, salary inflation, a discount rate, general inflation rate as well as any other relevant financial assumptions. The net liability recognized with respect to post-employment benefit plans is the difference between the present value of the defined-benefit obligation and the fair value of any plan assets, if any.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized in profit or loss during which the services are rendered. The annual expenses recognized in the profit or loss statement under "Salaries and employee benefits" with respect to defined-benefit plans includes the current service cost (the rights vested by each employee during the period in return for service rendered), the net interests linked to the effect of discounting the net defined-benefit liability, the past service cost arising from plan amendments or curtailments, and the effect of any plan settlements.

Remeasurements of the net defined-benefit liability are recognized in other comprehensive income in the period they arise and are never reclassified to profit or loss. These include: all actuarial gains and losses arising from defined benefit plans.



National Bank of Ethiopia
Notes to the Financial Statements
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3. Significant accounting policies (continued)

(k) Employee benefits (continued)

(ii) Short-term benefits

Short-term benefit obligations consist of salaries, bonuses, and any non-monetary benefits. They exclude the following benefits which are expected to be paid over periods exceeding 12 months: funeral expenses; medical expenses for pension employees; prize pay; severance pay and leave benefits. Short-term benefits are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under short-term cash bonuses if the Bank has a present legal or constructive obligation to pay this amount as a result of past services provided by the employees, and the obligation can be estimated reliably.

(iii) Termination benefits

Termination benefits are employee benefits payable in exchange for the termination of an employee's contract as a result of either a decision by the Bank to terminate a contract of employment before legal retirement age, or a decision by an employee to accept voluntary redundancy in exchange for these benefits. Some of the termination benefits at NBE include severance payments.

Termination benefits are expensed at the earlier of when the Bank can no longer withdraw the offer of those benefits and when the Bank recognizes costs for a restructuring. If benefits are not expected to be wholly settled within 12 months of the reporting date, then they are discounted.

(iv) Long-term benefits

These are benefits, other than short-term benefits, post-employment benefits and termination benefits. These benefits relate to compensation deferred for more than 12 months, which is accrued in the financial statements for the period in which it is earned.

The actuarial techniques used are similar to those used for defined benefit post-employment benefits except that the revaluation items are recognized in the profit or loss and not in equity.



National Bank of Ethiopia
Notes to the Financial Statements
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3. Significant accounting policies (continued)

(l) General reserve

The General Reserve is defined in National Bank of Ethiopia Proclamation No. 1359/2025. The limit of the General Reserve is set to be equal to 5% of the Bank's monetary liabilities. If the Bank has net profits at the end of a financial year, unrealized gains or losses arising from revaluation are excluded from distributable profits and transferred to the Revaluation Reserve. The remaining net profit, after such deduction, shall be transferred to the General Reserve Fund until it reaches the 5% threshold set thereon.

Where the General Reserve Fund reaches the maximum threshold, the remaining net profits shall be transferred to the account of the Ministry within six months after the end of the financial year. Net losses of the Bank shall be debited from the General Reserve Fund. If, at any time, as a result of net losses sustained by the Bank, the General Reserve Fund is less than the monetary liabilities of the Bank, the provisions of Article 8(4)(b) of the Proclamation shall be applicable.

(m) Revenue

Revenue comprises of:

- Interest income (Note 3 (m))
- Revenue from gold (Note 3(n))
- Fee and commission (Note 3(n))

(n) Interest

Effective interest rate

Interest income and expense are recognized in profit or loss using the effective interest method. The effective interest rate is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial assets; or
- the amortized cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses. For credit-impaired financial assets, a credit adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

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



National Bank of Ethiopia
Notes to the Financial Statements
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3. Significant accounting policies (continued)

(n) Interest (continued)

Amortized cost and gross carrying amount

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The gross carrying amount of a financial asset is the amortized cost of a financial asset before adjusting for any expected credit loss.

Calculation of interest income and expenses

In calculating interest income and expenses, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortized cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

Presentation of interest income and expenses

Interest income and expense presented in the statement of profit or loss and OCI include:

- Interest on financial assets and financial liabilities measured at amortised cost calculated on an effective interest basis;
- Interest on debt instruments measured at FVOCI calculated on an effective interest basis; and
- Interest expense on lease liabilities.

Interest income and expense on all assets and liabilities are considered to be incidental to the Bank's trading operations and are presented together with all other changes in the fair value of assets and liabilities in net trading income.



National Bank of Ethiopia
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3. Significant accounting policies (continued)

(o) Revenues from contracts with customers

Revenue from sale of gold, fee and commission income from contracts with customers is based on the consideration specified in a contract with a customer. The Bank recognizes revenue when it transfers control over a good or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant terms, and the related revenue recognition policies.

Type of product (good or service)	Nature and timing of satisfaction of performance obligations, including significant payment terms
Gold	NBE recognizes revenue from gold when the customer receives right and ownership of the gold. This occurs when a deal is struck between the Bank and the customer on pricing and the customer takes possession of the product. The Bank's performance obligation is satisfied at a point in time when the gold is delivered to the customer.
Fee and commission income	The Bank provides foreign currency transactions services to banks, government and government agencies in Ethiopia. It also provide services relating to selling gold, issuance of bonds and treasury bills on behalf of the government. Transaction based fees are charged to the customer when the transaction takes place. The Bank's performance obligations are satisfied at a point in time.

(p) Dividend income

Dividend income is recognized when the right to receive income is established. Usually, this is the ex-dividend date for quoted equity securities. Dividends are presented in net trading income, net income from other financial instruments at fair value through profit or loss (FVPTL) or other revenue based on the underlying classification of the equity investment.

(q) Due from Government of Ethiopia

Balances due from the Government of Ethiopia arise from the following transactions:

- Bonds bearing interest at the rate of 2% per annum which mature on 03 October 2044 and 08 October 2047;
- Bonds bearing interest at the rate of 3% per annum, which mature on 10 March, 2049;
- Non-interest bearing bond that is expected to mature in 2034 and
- PRGT fund re-disbursement to the Ministry of Finance.

Other than non-interest-bearing bonds which are measured at fair value by discounting them using a market related interest rate, all other balances due from the Government of Ethiopia are measured at amortized cost.

National Bank of Ethiopia
Notes to the Financial Statements
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3. Significant accounting policies (continued)

(r) Funds held at/due to International Monetary Fund (IMF)

Ethiopia has been a member of the International Monetary Fund (IMF) since 1945. The Bank acts as the fiscal agent that conducts the financial transaction with the IMF and designated as the depository for IMF's currency holdings. IMF currency holdings are held in the form of either promissory notes which are payable on demand or in the No. 1 and No. 2 Accounts, which are deposit accounts of the IMF with the Bank.

Borrowings from and repayments to the IMF are denominated in Special Drawing Rights (SDRs). The SDR balances in the two IMF accounts (No. 1 and No. 2) are translated into Birr at the prevailing exchange rates as at 30 April of each year and any unrealized gains or losses resulting thereof are accounted for in accordance with accounting policy on foreign currencies.

(s) Gold

NBE is mandated by the Government to buy gold deposits locally and sell the same in international markets. NBE works in conjunction with the Ministry of Mines and Ethiopian Geology survey to undertake gold purchase activities. The Ministry is responsible for verifying purity of gold purchased by the Bank. NBE recognizes two types of gold transactions which are: gold commodity and gold in transit.

Gold commodity comprises of raw gold or gold bullion which is sourced locally before it is refined and sold abroad. Gold commodity not sold at year end is considered as inventory and is measured at the lower of cost and net realizable value.

Gold in transit refers to gold that is held by the refineries or is in transit to refineries before it is processed to gold bullion. It is measured at the lower of cost and net realizable value.

(t) Contingencies

The Bank, discloses by way of a note, a contingent liability when a condition or circumstance at the end of the reporting period of which the eventual result, either beneficial or prejudicial, can only be confirmed upon the occurrence or non-occurrence of one or more uncertain future events which are beyond the control of the Bank.

(u) Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.



National Bank of Ethiopia
Notes to the Financial Statements
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3. Significant accounting policies (continued)

(v) New Standards, amendments and interpretations

(i) New and amended standards and interpretations in issue but not yet effective during the period ended 30 June 2025

The following new standards, amendments to standard and interpretations are not yet effective for the period ended 30 June 2025 and have not been applied in preparing these financial statements.

Standards / Amendments	Issue Date	Effective for annual periods beginning on or after
-Classification and Measurement of Financial instrument- Amendments to IFRS 9 and IFRS 7	May 2024	1 July 2025
-Annual Improvements to IFRS Accounting Standards, Volume 11 (IFRS 10, IFRS 9, IFRS 1, IAS 7, IFRS 7)	July 2024	1 July 2025
- IFRS 18 Presentation and Disclosure in Financial Statements	April 2024	1 July 2026, with early application permitted
-IFRS19 Subsidiaries without public accountability: Disclosure	May 2024	1 July 2026

From new standards, amendments to standard and interpretations not yet effective for the period ended 30 June 2025, Subsidiaries without public accountability-Disclosure (IFRS 19) is not applicable to the bank and will therefore have no impact on future financial statements.

The director's opinion on the impact of the application of the remaining new standards and Interpretations will be as follows;

Classification and Measurement of Financial instrument (Amendments to IFRS 9 and 7)

The amendment to IFRS 9 include guidance in which an entity can assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement with focus on the assessment of interest components in underlying loan agreements. It also explains the aspects which relates to non-recourse financial asset. Financing arrangement may only be classified as 'non-recourse' if the contractual terms and conditions restrict the creditor's right to the cash flows from these specific assets which clarify condition when contractually linked instruments are involved. As part of this amendment, financial liabilities or part of it that are settled by electronic payment systems can be derecognized even if the money is "still in transit" and the liability has therefore not yet been settled.

The amendment to IFRS 7 requires more detailed disclosure for investments in equity instruments designated at fair value through other comprehensive income. The disclosure includes the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognized in the period and the fair value gain or loss that relates to investments held at the end of the period is required to be disclosed.

The amendments are to be applied retrospectively from the effective date without mandatory restatement of previous periods. The Bank will make an assessment of the impact of this adoption.

National Bank of Ethiopia
Notes to the Financial Statements
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3. Significant accounting policies (continued)

(v) New Standards, amendments and interpretations (continued)

(i) *New and amended standards and interpretations in issue but not yet effective during the period ended 30 June 2025(continued)*

Annual Improvements to IFRS Accounting Standards-Volume 11 (IFRS 10, IFRS 9, IFRS 1, IAS 7, IFRS 7)

A number of new amendments to IFRS standards are issued by IASB in its annual improvements to IFRS Accounting Standards-Volume 11 which includes hedge accounting by a first-time adopter (IFRS 1), gain or loss on de-recognition, disclosure of deferred difference between fair value and transaction price and credit risk disclosures (IFRS 7), de-recognition of lease liabilities and transaction price (IFRS 9), determination of a 'de facto agent' (IFRS 10) and cost method (IAS 7).

The Bank will make an assessment of the impact of this adoption

IFRS 18 Presentations and Disclosure in Financial Statements

The new standard which replaces IAS 1 Presentation of financial statements sets out requirements for the presentation and disclosure of information in general purpose financial statement to help ensure they provide relevant information that faithfully represents an entity's. It particularly affected statement of profit and loss. Significant changes of standards include introducing new structure of statement of profit and loss i.e classifying income and expense into five categories, requirements for entities to disclose information about any management defined performance measures (MPMs) in a single note to financial statements and improved guidance on aggregation and disaggregation of financial statements. The new standard requires retrospective application from the effective date. The Bank will make an assessment of the impact of this adoption.

Early adoption of standards

The Bank has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

(ii) *Standards issued and effective during the period*

There were no new or revised accounting standards or interpretations that became effective during the year that had a material impact on the Bank's financial statements. Accordingly, no new standards or amendments were adopted as they are not expected to have a material effect on the Bank's current or future reporting periods.



National Bank of Ethiopia
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4. Interest income and expense

Interest income and expense are recognized in profit or loss using the effective interest method and are analyzed as follows:

	For year ended 30 June 2025	For year ended 30 June 2024
<i>Interest income</i>		
Advance to Central Treasury	93,808,219	3,485,972,603
Priority sector loans	318,007,014	634,479,454
DBE Special bond	2,108,589,700	2,114,366,658
Foreign time deposits	10,123,276,999	2,460,179,051
Call and ordinary accounts	10,122,733,682	1,303,879,082
Foreign securities	344,191,994	168,781,290
Advance to domestic banks	7,983,134,402	9,099,619,900
Government bonds	15,825,113,315	8,730,142,268
Total interest income	46,918,855,325	27,997,420,307
	For year ended 30 June 2025	For year ended 30 June 2024
<i>Interest expense</i>		
Government deposits	1,419,439,771	974,918,084
International Monetary Fund	2,261,445,774	1,280,830,357
Correspondent banks	7,455,653	3,007,992
Interest on time deposits	16,906,809,072	6,667,709,383
General Resource Account (GRA) charge on Special Drawing Rights (SDR) Purchase ¹	519,922,829	344,818,395
Acc. interest Exp. On FCY Reserve	5,676,375	1,681,038
Interest Expense on OMO Deposit Facility	3,329,355,287	-
Total interest expense	24,450,104,761	9,272,965,249

¹ Refer to Note 18 for details on this disclosure item

5. Fee and commission income

	For year ended 30 June 2025	For year ended 30 June 2024
<i>Exchange service commission</i>		
Foreign exchange transfers	5,820,738,709	1,739,738,264
Local banks	25,738,036,528	9,542,302,694
Government and Government institutions	2,227,847,810	941,384,835
	33,786,623,047	12,223,425,793
<i>Service charge commission</i>		
Treasury bills	240,243,722	500,370,056
Other service charges	638,322,702	682,378,462
	878,566,424	1,182,748,518
Total fee and commission income	34,665,189,471	13,406,174,311

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6. Revenue from sale of gold

	For year ended 30 June 2025	For year ended 30 June 2024
Local sales	100,437,491	28,625,186
Foreign sales	275,114,894,104	4,950,000,139
	<u>275,215,331,595</u>	<u>4,978,625,325</u>



7. Other Operating Income and Fair Value gains / (losses) on financial assets measured at FVOCI

a) Other Operating Income

	For year ended 30 June 2025	For year ended 30 June 2024
Dividend income	124,156,095	35,852,659
Postage, telephone and telex refunds	696,250	772,700
License fee*	66,990,993	73,672,723
Realized Foreign Exchange Gain/Loss**	14,239,816,072	-
Sundries	2,426,956,252	137,294,365
Amortisation of deferred revenue	4,004,944	3,268,622
Write back of expired liability***	651,531,563	-
	<u>17,514,152,169</u>	<u>250,861,069</u>

***License fees:** The Bank is mandated to issue business licenses to financial institutions operating in Ethiopia. The license fees are earned from the issuance of new and renewal of business licenses to financial institutions giving them mandate to operate in Ethiopia. The financial institutions that are licensed include: banks, microfinance institutions as well as insurance businesses, insurance agencies, insurance actuaries, insurance surveyors and insurance brokers.

****Realized Foreign Exchange Gain:** This balance arises from the settlement of transactions denominated in foreign currencies. The resulting gains or losses reflect the actual cash movement impact when foreign currency payments or receipts are converted into the Bank's functional currency at different exchange rates. Accordingly, realized foreign exchange differences are recognized in profit or loss in the period in which the related cash settlement occurs.

*****Write back of liability-** The balance represents long outstanding liabilities written-off.

b). Fair value gains / (losses) on financial assets measured at FVOCI

	For year ended 30 June 2025	For year ended 30 June 2024
Fair value gain/Loss on Equity Investments	2,042,534,319	185,577,051
Fair value gain /Loss on IMF quota Subscription	30,987,276,542	615,906,502
	<u>33,029,810,861</u>	<u>801,483,553</u>

Fair value gains/losses on financial assets measured at FVOCI include Birr 2,042.5 million, representing the valuation of the Bank's shares in Afreximbank and Africa Reinsurance Corporation. Additionally, Birr 30,987.3 million relates to the revaluation of the IMF quota in SDR, translated at the Ethiopian Birr exchange rate determined by the IMF as of 30 April 2025.

For more details on Fair value gains / (losses) on financial assets measured at FVOCI, refer to notes 10 & 18.

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8. Operating expenses

a). Currency costs

	<u>For year ended 30 June 2025</u>	<u>For year ended 30 June 2024</u>
Printing of bank notes	-	1,030,733,777
Minting of coins	-	9,300
Total currency costs	<u>-</u>	<u>1,030,743,077</u>

b). General and administration costs

	<u>For year ended 30 June 2025</u>	<u>For year ended 30 June 2024</u>
Depreciation and Amortization	110,913,606	101,242,679
Depreciation – Right of use asset	18,632,632	1,175,635
Loss on gold Inventory write down ¹	16,860,394,874	78,942,028
Fuel and lubricants	7,986,036	6,494,083
Membership fees	10,209,586	2,598,015
Travelling and per diem	23,595,045	18,041,234
Stationery and printing	14,266,418	13,000,044
Transportation of currency	148,335,347	32,698,425
Repairs and maintenance costs	173,182,769	94,733,429
Advertisements	23,885,064	836,641
Communications	18,097,776	11,034,851
Utilities	22,312,312	10,893,287
Reuters' Service	14,125,922	6,541,730
Insurance	18,627,068	11,625,628
Tuition fees	587,516	1,374,134
Subscriptions	1,297,980	684,186
Audit fee	23,035,304	1,840,000
Bankers' Club	8,759,552	8,072,597
Uniforms	62,178,917	8,922,651
Entertainment	35,892,560	12,661,387
Uncollectible accounts written-off	8,122,683	-
Board fees	1,784,000	1,505,241
Legal expenses	8,420	66,620
Miscellaneous	138,335,710	67,925,739
Total general and administration expenses*	<u>17,744,567,097</u>	<u>492,910,264</u>

¹ Loss on Inventory write down arises due to gold purchase cost is more than the NRV as a result of the increase on premium price which was paid to the suppliers of the gold on the world gold price.

* To improve comparability, Loss on foreign exchange differences was reclassified to note 8(f).



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8. Operating expenses (continued)

c). Salaries and related benefits

	For year ended 30 June 2025	For year ended 30 June 2024
Staff salaries	317,678,660	274,547,294
Periodic employees' benefits costs	64,932,155	64,239,540
Overtime	3,131,604	3,204,891
Bonus	46,867,070	42,136,814
Medical expenses	56,686,651	39,944,972
Representation allowance	27,662,200	25,439,404
Fuel and transportation allowance	137,010,836	99,663,570
Housing allowance	29,777,563	29,049,526
Salary outsourcing	20,837,123	20,329,307
Accumulated leave expenditure	1,248,116	1,661,222
Total salaries and related benefits	705,831,978	600,216,540

d). Gold purchase, refinery and other related costs

	For year ended 30 June 2025	For year ended 30 June 2024
Gold purchase costs	315,510,375,837	6,903,950,044
Gold transport and other costs	47,268,817	16,822,917
	315,557,644,654	6,920,772,961

e). Impairment losses on financial instruments

	For year ended 30 June 2025	For year ended 30 June 2024
Balance as at 1 July – Financial assets ¹	(5,462,013,318)	(4,773,417,421)
Balance as at 1 July – Other assets:	(572,625)	(813,357)
Loans to employees ²		
Balance as at 1 July – Other assets: Staff advances ³	(3,472,125)	(812,144)
Total balance as at 1 July	(5,466,058,068)	(4,775,042,922)
Charged to profit or loss – Financial assets ¹	813,339,669	(688,595,897)
Charged to profit or loss – Other assets:		
Loans to employees ²	(869,329)	240,732
Charged to profit or loss – Other assets: Staff advances ³	3,137,292	(2,659,981)
Total charged to profit or loss	815,607,632	(691,015,146)
Total cumulative impairment losses	(4,650,450,434)	(5,466,058,068)



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8. Operating expenses (continued)

¹ Financial assets relate to instruments held in favor of the bank or owed to the bank by other financial institutions. The bank holds the following financial assets: loans due from the Government of Ethiopia, loans to Government banks; as well as call, current and time deposits held with foreign commercial and central banks.

² The bank provides interest free loans to employees. These loans are checked off against the staff payroll. However, in some cases employees may leave the Bank without settling their due loans in full. The Bank therefore assesses each of the cases and provides an impairment loss allowance against the outstanding staff loan balance.

³ The Bank also provides staff advances to employees for field work purpose.

f). Unrealized Foreign Exchange Gain/Loss

	For year ended 30 June 2025	For year ended 30 June 2024
Unrealized Foreign Exchange Gain/Loss:	<u>(445,232,054,700)</u>	<u>38,136,853,903</u>
	<u>(445,232,054,700)</u>	<u>38,136,853,903</u>

Unrealized Foreign Exchange Gain/Loss arises from the net impact/differences resulting from translating a given number of units of foreign currencies into the bank's reporting currency, that is, ETB at different exchange rates.

During the year ended 30 June 2025, the Government of Ethiopia implemented a foreign exchange policy reform, transitioning from a fixed exchange rate regime to a market-based (floating) exchange rate regime. Under the new regime, exchange rates are determined by demand and supply conditions in the foreign exchange market, as quoted by banks.

As a result of this policy change, the Bank translated its foreign currency monetary assets and liabilities using the indicative mid-exchange rate, determined as the average market rate quoted by banks, with effect from the date of the reform. This translation resulted in an unrealized net foreign exchange loss amounting to Birr 445,232,054,700 (2024: Birr 38,136,853,903). The loss has been recognized in the statement of profit or loss in determining the Bank's net operating profit for the year, in accordance with IAS 21 – Accounting for the Effects of Changes in Foreign Exchange Rates.

Unrealized net foreign exchange gains/losses do not form part of the Bank's distributable profits and have accordingly been transferred to the Revaluation Reserve in line with Proclamation No. 1359/2025.



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9. Financial assets

The following balances represent financial assets disclosures after factoring in expected credit loss (ECL):

	30 June 2025	30 June 2024
Due from Government of Ethiopia (a)	739,584,073,003	687,897,177,830
Loans to government banks (b)	114,160,396,802	134,953,595,130
Due from foreign institutions – commercial banks (c)	126,457,112,325	32,061,462,892
Due from foreign institutions – central banks (d)	456,880,198,197	47,483,737,622
Cash - foreign currencies* (e)	8,881,794,696	712,631,306
Funds held with IMF(f)	3,696,567,731	176,870,099
Loans to private commercial banks(g)	1,143,401,411	13,210,129,051
Total Gross amounts	1,450,803,544,165	916,495,603,930
Allowance for credit losses	30 June 2025	30 June 2024
Due from Government of Ethiopia (a)	(3,884,333,140)	(4,560,748,058)
Loans to government banks (b)	(599,576,206)	(894,740,328)
Due from foreign institutions – commercial banks (c)	(122,515,622)	(5,864,426)
Loans to private commercial banks(g)	(42,248,682)	(660,506)
Total impairment	(4,648,673,650)	(5,462,013,318)
Financial assets net of allowance for credit losses	1,446,154,870,515	911,033,590,612
Allowance for credit losses movement		
Balance as at 1 July	(5,462,013,318)	(4,773,417,421)
Charged to profit or loss	813,339,668	(688,595,897)
Balance as at 30 June	(4,648,673,650)	(5,462,013,318)

* These financial assets were not impaired.

For the rest of the financial assets that were impaired, the following disclosures denote the impairment of the same.

(a) Due from Government of Ethiopia

	30 June 2025	30 June 2024
Direct advance ¹	-	242,000,000,000
Non-interest-bearing bond ²	3,747,719,545	3,638,562,667
Interest bearing bonds ³	675,054,532,811	430,806,916,373
IMF Loan to Ministry of finance ⁴	60,781,820,645	11,451,698,791
Less: allowance for credit losses	(3,884,333,140)	(4,560,748,058)
	735,699,739,861	683,336,429,771

¹The NBE historically issued perpetual direct advances to the Government, which bore interest at a rate of 2% to 3% per annum. However, this practice is no longer permitted under Proclamation No. 1359/2025. During the year ended 30 June 2025, the Government did not obtain any direct advances from the NBE. In accordance with Proclamation No. 1359/2025, the NBE may provide overdrafts or cash facilities to the Government. Such facilities shall not exceed 15% of the Government's domestic revenue of the previous three fiscal years, and any overdraft facilities provided under this provision bear interest at the monetary policy rate as determined by the National Bank of Ethiopia.



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9. Financial assets (continued)

(a) Due from Government of Ethiopia (continued)

²NBE has issued a non-interest-bearing bond with a maturity date of 1 July 2034. The bond has been measured at the present value of all its future cash receipts discounted at an effective interest rate of 3%. The bank determined this to be the prevailing market rate of interest for similar bonds issued to the government. NBE has reclassified day one fair value gains and losses of non-interest-bearing bond financial assets in order to eliminate any accounting mismatch which would otherwise arise.

³NBE has issued a 2% annual interest bond maturing on 3 October 2044 and another 2% government bond, repayable in thirty equal semiannual installments beginning on 8 April 2033, with final maturity on 8 October 2047. Following decision by the bank's board of directors, an additional Birr 242 billion of direct advance was restructured into a 3% government bond as at 07 July 2024. This bond is also repayable in thirty equal semiannual installments, starting on 08 July 2034, following a 10-year grace period, and will mature on 10 March 2049.

⁴Refer note 18 for details on ECF loan from IMF to the government of Ethiopia.

NBE does not require collateral or guarantee to loan funds to the Government of Ethiopia.

(b) Loans to government banks

	<u>30 June 2025</u>	<u>30 June 2024</u>
Development Bank of Ethiopia priority sector loans ¹	1,534,248	11,494,465,755
Commercial Bank of Ethiopia bonds ²	83,880,174,686	93,180,441,507
Development Bank of Ethiopia Special Bond ¹	30,278,687,868	30,278,687,868
Less: allowance for credit losses	(599,576,206)	(894,740,328)
	<u>113,560,820,595</u>	<u>134,058,854,802</u>

¹NBE issues loans to DBE for priority sector investment projects and charges interest at the rate of 5%. These loans have loan tenure of 5 years. Birr 30.3 billion which was converted to 12 years special bond on June 05, 2023 following NBE repealed a policy for a DBE priority sectors loan financing. The bond shall bear interest at the rate of 7% per annum which shall be paid semi-annually.

²The Bank issued term bonds to the Commercial Bank of Ethiopia amounting to ETB 81.4 billion and ETB 9.0 billion, respectively. The principal amounts of these bonds shall become due within 10 years from the date of receipt by CBE. The interest on these bonds is paid semi-annually and bears 7% interest. During the financial reporting year, the Bank repaid the ETB 9.0 billion bond, prior to its contractual maturity date.

NBE does not require collateral or guarantee to loan funds to government banks.



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9. Financial assets (continued)

(c) Due from foreign institutions – commercial banks

	<u>30 June 2025</u>	<u>30 June 2024</u>
Due from foreign institutions – commercial banks	126,457,112,325	32,061,462,892
Less: Impairment	(122,515,622)	(5,864,426)
	<u>126,334,596,704</u>	<u>32,055,598,466</u>

The balance due from commercial banks by NBE represents call, current and time deposit accounts held with the following foreign institutions: CITIBANK New York (USD); JP Morgan Chase (USD); National Westminster - London (GBP); Commerz bank AG (Euro & USD); Bank of Tokyo (YEN), Afreximbank (USD), Eastern and Southern African Trade and Development Bank (USD), Standard Chartered Bank South Africa (USD) and Standard Chartered Bank – London (GBP & USD).

(d) Due from foreign institutions – central banks

The Bank maintains call, current and time deposits with several central banks domiciled in Europe, USA and Asia. These central banks include: Federal Reserve Bank of New York (USD); Bank for International Settlements (BIS); Bank of England (GBP & USD); Deutsche Bundesbank (EURO); International Bank of Reconstruction and Development (USD) and Central Bank of The United Arab Emirate (USD & AED).

	<u>30 June 2025</u>	<u>30 June 2024</u>
Balances due from foreign entities – Central banks	456,880,198,197	47,483,737,622
Less: Impairment	-	-
	<u>456,880,198,197</u>	<u>47,483,737,622</u>

(e) Cash - foreign currencies

This relates to cash held by NBE in foreign currency denominations. The foreign currency balances are translated to Ethiopian Birr (ETB) at each reporting date using the mid- rate applicable on that date. As at 30 June 2025, NBE held foreign currency balances worth ETB 8,881,794,696 (2024: ETB 712,631,306).



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9. Financial assets (continued)

(f) Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including foreign currencies on hand, balances held with foreign institutions – commercial and central banks and funds held with IMF.

	For year ended 30 June 2025	For year ended 30 June 2024
<i>Cash and cash equivalents comprise:</i>		
Balances due from foreign entities – Commercial banks	126,334,596,703	32,055,598,466
Balances due from foreign entities – Central banks	456,880,198,197	47,483,737,622
Cash - foreign currencies	8,881,794,696	712,631,306
Funds held with IMF ²	3,696,567,731	176,870,099
	595,793,157,327	80,428,837,493
Less: Time Deposit with maturity period over three months ¹		
IBRD*	(6,863,556,422)	(2,930,459,469)
Eastern and Southern African Trade and Development Bank (TDB)	(45,041,024,343)	(18,313,568,606)
Afreximbank	(778,458,347)	(314,713,008)
	543,110,118,215	58,870,096,410

* IBRD - The International Bank for Reconstruction and Development

¹ The tenure of time deposits with IBRD, Eastern and Southern African Trade & Development Bank, and Afreximbank is one year. The interest rate for IBRD is based on offer acceptance and changed on a quarterly basis and for Afreximbank and TDB it is based on negotiation in accordance with the terms of the deal and fixed annually. The tenure of other time deposits ranges between one to three months.

² This is stock of IMF currency for NBE held with IMF. The account which is denominated in SDR is used to deposit funds to effect payments against IMF obligations such as loan repayments and charges. The SDR currency is derived from a basket of 5 currencies (USD, EURO, GBP, JPY and Yuan).

For further details on cash and cash equivalents, refer to notes 9 (c, d, e, and f) above.

(g) Loans to private commercial banks

During the financial period ended 30 June 2025, NBE extended a six-month credit facility to a one (1) local commercial bank. As of 30 June 2025, an amount of ETB 1,143,401,411 remained outstanding under this facility, which had not yet matured. The loan was provided aim to financial sector stability and to offer temporary liquidity assistance. It carries an interest rate of 20% and is secured by T- bills and other government securities with a total collateral value of ETB 1,432,959,000.

	30 June 2025	30 June 2024
Loans to private commercial banks	1,143,401,411	13,210,129,050
Less: Impairment	(42,248,682)	(660,508)
	1,101,152,729	13,209,468,542

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10. Equity Investment

The Bank holds the following investments in shares:

	30 June 2025	30 June 2024
African Export-Import Bank	2,941,452,017	971,392,047
Africa Re-insurance	342,987,055	158,689,405
Local Currency Investment-Ethswitch S.C	6,000	6,000
	<u>3,284,445,072</u>	<u>1,130,087,452</u>

On initial recognition the bank made an irrevocable election to present in other comprehensive income the changes in the fair value of all its investments in shares as these equity investments represent strategic long-term holdings not held for trading.

The Bank measures the fair value of its equity investments classified as fair value through OCI (FVOCI) using the Market Approach, in accordance with IFRS 13 Fair Value Measurement. To determine fair value, the bank uses a valuation technique that: is appropriate in the circumstances; for which sufficient data is available to measure fair value; maximizes use of relevant observable inputs and minimizes use of unobservable inputs. The investments have been classified within Level 2 of the fair value hierarchy, as the valuation relies on observable market information of comparable companies to the investee companies being valued, with adjustments for inputs that are not directly observable.

For the purpose of a valuation, a price to book multiple were selected based on observed multiples for peer companies and adjusted for specific factors such as company specific and liquidity discounts.

The changes in the fair values of the investment instruments were as follows:

	Amount in ETB
Opening balances – 1 July 2023	913,787,046
Fair value adjustments - African Export-Import Bank	158,134,033
Fair value adjustments - Africa Re-insurance	27,443,019
Local Currency Investment-Ethswitch S.C	5,000
Additional investment (381 share of African Export-Import Bank)	30,718,354
Closing balances – 30 June 2024	<u>1,130,087,452</u>
 Fair value adjustments - African Export-Import Bank	 1,858,236,669
Fair value adjustments - Africa Re-insurance	184,297,650
Additional Investment-Ethswitch S.C	-
Additional share acquisition by dividend payment (35 shares of African Export-Import Bank)	111,823,301
Closing balances – 30 June 2025	<u>3,284,445,072</u>

The African Export-Import Bank (Afreximbank) is a supranational institution, established on 27 October 1993. Afreximbank is a grouping of regional central banks and financial institutions designed to facilitate intra and extra African trade. During the year, the Bank acquired 35 shares from Afreximbank, this shares were bought using the 2023 dividend proceeds. The total holding in Afreximbank increased from 789 shares in 2024 to 824 shares in 2025, representing 0.34% of the total holdings.

The African Reinsurance Corporation (Africa Re) is the leading pan-African reinsurance company and the largest reinsurer in Africa in terms of net reinsurance written premiums.

As of 30 June 2025, the Bank's equity interest in African Reinsurance Corporation remained the same amounting to 9,200 shares with a nominal value of \$100 per share, representing 0.31% of the total holdings.

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11. Gold Commodity

Gold commodity comprises of raw gold or gold bullion which is sourced locally before it is refined and sold abroad. Gold commodity not sold at year end is considered as inventory and is measured at lower of cost and net realizable value.

The value of commodity gold is as follow;

	<u>30 June 2025</u>	<u>30 June 2024</u>
Opening balance	141,169,916	95,104,815
Purchases	420,848,857,999	7,028,957,174
Sales	(315,510,375,837)	(6,903,950,045)
Inventory write down*	(16,860,394,874)	(78,942,028)
Closing balance	<u>88,619,257,204</u>	<u>141,169,916</u>

* Refer to Note 8 (b) for details on this disclosure item



12. Related parties

(a) Parent and ultimate controlling party

The National Bank of Ethiopia was established in 1963 under order No. 30/1963 and is fully owned by the government of Ethiopia through the Ministry of Finance (MOF).

In the normal course of its operations, the Bank enters into transactions with related parties who include the following:

No.	Related party	Nature of relationship	Terms of transaction
1	Key management personnel	Members of the management team at NBE	Normal business terms
2	Commercial Bank of Ethiopia (CBE)	Associate	Normal business terms
3	Development Bank of Ethiopia (DBE)	Associate	Normal business terms
4	Government of Ethiopia through The Ministry of Finance (MOF)	Owner	Normal business terms

(b) Key management personnel

The key management personnel of the National Bank of Ethiopia comprise of the following:

- i.) The Board which includes the Governor and Vice governor in charge of monetary stability cluster
- ii.) Vice-Governor – Financial Institutions Supervision
- iii.) Vice-Governor – Corporate Services

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12. Related parties (continued)

Key management members received the following remuneration during the years ended 30 June 2025 and 30 June 2024:

	<u>30 June 2025</u>	<u>30 June 2024</u>
Short-term employee benefits	7,935,296	7,082,353
Other long-term benefits	246,275	202,714
Post-employment benefits	5,117,985	4,426,241
	<u>13,299,556</u>	<u>11,711,308</u>

Compensation of the Bank's key management personnel includes all short- and long-term benefits as well as consideration of their post-employment benefits. Some of the key management personnel, who are not part of NBE staff such as some of the Board members, are only entitled to monthly board fee and annual bonus. These amounts are also included within salaries and related benefits note (Note 8 (c)).

(c) Loans to key management personnel

In accordance with the Bank's policy, NBE issues interest-free loans to key management personnel whose collateral is personal guarantees from NBE members of staff.

At the end of each reporting period, the Bank performs an impairment assessment on the outstanding balances and provides for expected credit losses. The impairment loss has been included in the sum of impairment losses of all staff loan balances for the periods ended 30 June 2025 and 30 June 2024. The loans to key management and the impairing arising thereof for these periods were as follows:

	<u>30 June 2025</u>	<u>30 June 2024</u>
Gross loans to key management (governor and vice-governors)	1,069,429	296,660
Impairment	(3,688)	(715)
Net loans to key management (governor and vice-governors)	<u>1,065,741</u>	<u>295,945</u>

(d) Other related parties transactions

The Bank entered into related party transactions whose terms were not equivalent to those that prevail in arm's length transactions. These transactions include loans, deposits and foreign currency transactions.

The volumes of the related party transactions, outstanding balances at the end of the year and the related expenses and incomes for the year are as follows:



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12. Related parties (continued)

(d) Other related parties transactions (continued)

i.) Transactions with Commercial Bank of Ethiopia:

	30 June 2025	30 June 2024
CBE Term Bonds ¹	83,880,174,686	93,180,441,507
Commercial Bank of Ethiopia A/R (ETB) ²	-	12,274,225,019
Advances for gold purchases	54,637,914,467	2,139,916,479
	<u>138,518,089,153</u>	<u>107,594,583,006</u>

The above amounts are the gross carrying amounts before impairment.

¹The interest earned on the CBE Term Bonds was ETB 6,315,727,063 (2024: ETB 6,343,420,608). The impairment loss on CBE Term bond was ETB 440,542,941(2024: ETB 617,784,941).

²The balance relates to advances provided to CBE for the settlement of Letter of Credit commitments in connection with the Government project.

ii.) Transactions with Development Bank of Ethiopia:

	30 June 2025	30 June 2024
DBE Priority sector loan	1,534,248	11,494,465,755
DBE Special Bond	30,278,687,868	30,278,687,868
	<u>30,280,222,116</u>	<u>41,773,153,623</u>

The above amounts are the gross carrying amounts before impairment.

The interest earned on the DBE priority loan and Special Bond was ETB 2,426,596,714 (2024: ETB 2,748,846,112). The impairment loss on DBE priority loan and Special Bond was ETB 159,033,266 (2024: ETB 276,955,387).



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13. Property and equipment

2025	ETB	Balance at 30 June 2024	Additions	Disposals	Reclassifications	Adjustments	Balance at 30 June 2025
Cost							
Buildings		1,328,433,978	-	-	-	-	1,328,433,978
Office and other equipment		519,115,227	60,715,181	(9,158,670)	-	-	570,671,738
Office furniture and fittings		35,961,773	13,320,793	(1,272,563)	-	-	48,010,003
Motor vehicles		199,747,518	-	(1,104,585)	-	-	198,642,933
Work in progress		877,007,566	1,452,209,399	-	-	-	2,329,216,965
		<u>2,960,266,062</u>	<u>1,526,245,373</u>	<u>(11,535,818)</u>	<u>-</u>	<u>-</u>	<u>4,474,975,617</u>
Depreciation							
Building		(398,131,456)	(49,816,274)	-	-	-	(447,947,730)
Office and other equipment		(412,300,210)	(36,424,910)	9,030,107	-	-	(439,695,012)
Office furniture and fittings		(27,889,569)	(4,513,160)	1,241,036	-	-	(31,161,693)
Motor vehicles		(98,266,812)	(19,731,619)	828,438	-	-	(117,169,992)
		<u>(936,588,047)</u>	<u>(110,485,963)</u>	<u>11,099,582</u>	<u>-</u>	<u>-</u>	<u>(1,035,974,428)</u>
Net carrying amount	ETB	<u>2,023,678,015</u>	<u>1,415,759,410</u>	<u>(436,236)</u>	<u>-</u>	<u>-</u>	<u>3,439,001,189</u>

Property, Plant, and Equipment (PPE) with a total purchase price of Birr 418,442,485 are fully depreciated and have a residual value of Birr 18,454,976, yet they are still in use.

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13. Property and equipment (continued)

2024	ETB	Balance at 30 June 2023	Additions	Disposals	Reclassifications	Adjustments	Balance at 30 June 2024
<i>Cost</i>							
Buildings		1,328,433,978	-	-	-	-	1,328,433,978
Office and other equipment		472,766,806	60,523,468	(14,175,046)	-	-	519,115,227
Office furniture and fittings		33,917,082	2,832,141	(787,450)	-	-	35,961,773
Motor vehicles		186,541,139	17,726,368	(4,519,989)	-	-	199,747,518
Work in progress		267,544,256	609,463,310	-	-	-	877,007,566
		<u>2,289,203,261</u>	<u>690,545,287</u>	<u>(19,482,485)</u>	<u>-</u>	<u>-</u>	<u>2,960,266,062</u>
<i>Depreciation</i>							
Building		(348,315,182)	(49,816,274)	-	-	-	(398,131,456)
Office and other equipment		(398,855,179)	(27,467,416)	14,022,387	-	-	(412,300,210)
Office furniture and fittings		(25,194,591)	(3,470,144)	775,166	-	-	(27,889,569)
Motor vehicles		(81,974,829)	(19,681,975)	3,389,991	-	-	(98,266,812)
		<u>(854,339,781)</u>	<u>(100,435,809)</u>	<u>18,187,544</u>	<u>-</u>	<u>-</u>	<u>(936,588,047)</u>
Net carrying amount	ETB	<u>1,434,863,480</u>	<u>590,109,477</u>	<u>(1,294,941)</u>	<u>-</u>	<u>-</u>	<u>2,023,678,015</u>

The total value of Property, Plant, and Equipment (PPE) with a purchase price of Birr 375,575,967 is fully depreciated and has a residual value of Birr 16,213,505, yet these items remain in use.

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14. Intangible assets

		<u>Software</u>
<i>Cost</i>		
Balance at 01 July 2024	ETB	94,522,849
Additions / transfers from CWIP		-
Balance at 30 June 2025*		<u>94,522,849</u>
<i>Amortization and impairment</i>		
Balance at 01 July 2024		(94,095,206)
Additions		(427,643)
Balance at 30 June 2025		<u>(94,522,849)</u>
Net carrying amount	ETB	<u>-</u>
		<u>Software</u>
<i>Cost</i>		
Balance at 01 July 2023	ETB	94,522,849
Additions / transfers from CWIP		-
Balance at 30 June 2024		<u>94,522,849</u>
<i>Amortization and impairment</i>		
Balance at 01 July 2023		(93,288,336)
Additions		(806,870)
Balance at 30 June 2024		<u>(94,095,206)</u>
Net carrying amount	ETB	<u>427,643</u>

Intangible assets relate to software that includes core banking and other related software's. In the financial period ended 30 June 2025, NBE not acquired new software. There were no idle assets and changes relating to the useful life of intangible assets as at 30 June 2025 and 30 June 2024.

*Aggregate value of Intangible assets relating to software amounting Birr 94,522,849 are fully amortized were still in use.

15. Other assets

	ETB	<u>30 June 2025</u>	<u>30 June 2024</u>
Advances to CBE for gold purchases		54,637,914,467	2,139,916,479
Sundry receivables from CBE ¹		-	12,274,225,019
Commemorative souvenirs in gold and silver		8,014,493	8,124,719
Loans to employees (a)		177,060,155	159,726,290
Staff advances (b)		8,436,952	4,890,072
Office and other consumables (c)		39,228,134	30,584,193
Uncleared effects		5,267,607	5,502,032
Sundry receivables ²		3,429,167,426	3,659,000,240
Miscellaneous*		(17,781,762)	(17,131,667)
Receivables from MoF		9,500,000,000	-
		<u>67,787,307,472</u>	<u>18,264,837,377</u>



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15. Other assets (continued)

*The balances under the miscellaneous account relate to CMD unadjusted notes in circulation.

¹Refer to note 12(d) for details on this disclosure item.

² The balance under this disclosure item mostly relates to advances paid to suppliers in connection with the Bank's various projects.

(a) Loans to employees

The Bank extends interest free loans, which are therefore at a lower rate compared to the prevailing market rates and bear annual interest of 17.6%, to its entire staff in accordance with the Bank's policy. The loans are repayable within five years and are secured by a guarantor. The bank does not perform a fair valuation of these loans since the tenure/duration of these loans is short-term in nature and the credit exposure to the bank is minimal.

The Bank performs an impairment test on a continuous basis and provides an allowance for impairment losses at the reporting date.

Loans to employees for the two periods were as follows:

	30 June 2025	30 June 2024
Gross Loans to employees	178,502,108	160,298,914
Cumulative impairment losses	(1,441,953)	(572,624)
Net Loans to employees	177,060,155	159,726,290

	30 June 2025	30 June 2024
Movement of impairment losses for staff loan accounts		
Balance as at 1 July	572,624	813,356
Charged to profit or loss	869,329	(240,732)
Balance as at 30 June	1,441,953	572,624

(b) Staff advances

The following table shows the staff advances breakdown:

	30 June 2025	30 June 2024
Gross staff advances	8,771,784	8,362,197
Cumulative Impairment losses	(334,832)	(3,472,125)
Net staff advances	8,436,952	4,890,072



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15. Other assets (continued)

(b) Staff advances (continued)

Movement of impairment losses for staff advances	30 June 2025	30 June 2024
Balance as at 1 July	3,472,125	812,144
Charged to profit or loss	(3,137,293)	2,659,981
Balance as at 30 June	334,832	3,472,125

(c) Office and other consumables

The breakdown of office and other consumables items is as shown below:

<i>Office and other consumables</i>	30 June 2025	30 June 2024
Gross carrying amount	39,228,134	30,584,193
Office and other consumables – adjustments	-	-
Net carrying amount	39,228,134	30,584,193

The Bank's office and other consumables comprise of spare parts, stationary items, uniforms, stocks of facilities for office equipment, buildings, sorting and shredding machine, cleaning and sanitary materials, fuel and lubricant, tyres and inner tubes. These office and other consumables are not meant for resale and are therefore measured at cost.

16. Right of use assets

The Bank leases some buildings within Ethiopia. Information about leases for which the Bank is a lessee is presented below:

Right-of-use assets:

	30 June 2025	30 June 2024
Cost		
Balance at the beginning of the year	8,128,635	4,065,741
Additions	129,779,489	-
Remeasurement adjustment	697,225	4,062,894
Balance as at 30 June	138,605,349	8,128,635
Depreciation		
Balance as at 1 July	(2,494,025)	(1,318,390)
Charge for the year	(18,632,633)	(1,175,635)
Balance at 30 June	(21,126,658)	(2,494,025)
Net carrying value	117,478,691	5,634,610



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16. Right of use assets (continued)

Lease liabilities:

	30 June 2025	30 June 2024
Balance at beginning of the year	5,893,892	3,090,450
Additions	129,779,489	-
Interest expense	4,293,413	376,937
Payments made during the year	(24,988,320)	(1,333,277)
Remeasurement adjustment	648,973	3,759,782
Net carrying value	115,627,447	5,893,892

Maturity analysis:

	30 June 2025	30 June 2024
Less than 1 year	33,156,222	1,183,985
1 – 2 years	34,640,983	720,000
3 – 5 years	59,589,975	2,160,000
More than 5 years	2,932,221	3,652,221
Total	130,319,401	7,716,206

-NBE calculated lease related assets and liabilities per its accounting policy disclosed on Note 3(e). As a lender of last resort, the Bank is not subject to conventional borrowing patterns of a commercial bank. In the event that the Bank had to borrow funds equivalent to the value of the right of use asset, the Bank would be financed by the Government through issuance of a bond. The Bank used an incremental borrowing rate that is equivalent to the Grand Renaissance bond issued by the government. The Grand Renaissance bond was issued at a rate of 6%. The Bank adopted this rate as its incremental borrowing rate for purposes of computing its lease liabilities. The Bank had no short-term lease commitments in period ended 30 June 2025 therefore no lease expense was recognized in statement of profit or loss and other comprehensive income.

During the year, the Bank remeasured certain lease liabilities due to change in contractual lease payments and terms. The remeasurement resulted in an increase in lease liabilities and a corresponding adjustment to the right-of-use assets.



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17. Deposits due to local financial institutions, government, and government institutions

Deposits due to financial institutions and the Government were as follows:

	30 June 2025	30 June 2024
Domestic currency deposits		
Deposits from banks ¹	486,048,285,725	216,109,019,397
Deposits from insurance companies ²	16,350,378	17,726,182
Government and governmental agencies ³	44,697,229,645	42,867,358,352
	530,761,865,748	258,994,103,931
Foreign currency deposits		
Government and governmental agencies	218,477,611,943	93,255,434,532
Foreign Currency Reserve Accounts-Local Banks	138,361,701	59,295,234
	218,615,973,644	93,314,729,766
Deposits from banks and government	749,377,839,392	352,308,833,697

¹Banks maintain deposit accounts with the NBE to facilitate monetary policy operations and ensure regulatory compliance. A deposit with the banks comprises from Payment & settlement accounts, Reserve accounts, issue accounts and Open market operation deposit facility. Reserve accounts are maintained to meet statutory reserve requirements and support the implementation of monetary policy, particularly through the management of reserve money targets aimed at controlling inflation. All commercial banks are required to maintain a reserve balance equivalent to 5% of their net deposit liabilities at all times, and a monthly average reserve balance of 7% of their net deposit liabilities. Payment and settlement accounts are used to process daily transactions, including clearing and settlement of funds transfers, and support the smooth functioning of the payment system. Issue accounts are used by the bank to manage currency issuance and withdrawals, tracking the flow of notes and coins between the central bank and commercial banks. These deposit accounts are typically non-interest-bearing and maintained to ensure operational efficiency, financial stability, and adherence to monetary policy frameworks. Effective from August 13, 2024, the reserve accounts were merged with payment and settlement accounts to streamline operations and simplify the account management process.

²All insurance companies are required to deposit 5% of their annual net earned premium with NBE. The amounts of deposits with NBE are adjusted on an annual basis depending on the growth in an insurance company's net earned premium. These deposits do not earn any interest and neither does NBE reinvest this money.

³The Government and Government agencies deposit money with NBE. These deposits are denominated in both domestic and foreign currencies with domestic deposits earning interest at the rate of 2% pa. The obligation arising from NBE holding these deposits is measured at cost i.e. the actual value of the deposit. The finance cost is recognized as an expense in the statement of profit or loss over the period NBE holds the deposit. The interest payments to Ministry of Finance (MOF) are done monthly.

⁴Open market operation deposit facility is deposits that the Bank's mobilizes through conducting Open Market Operation (OMO) with commercial banks as part of its monetary policy implementation. These deposits are mobilized through a competitive auction process held on a bi-weekly basis, with a standard maturity of 14 days. For the reporting year, the OMO deposits carried an interest rate of 15% per annum, determined by market demand and policy objectives.

A deposit from banks is made up of the following:

	30 June 2025	30 June 2024
Payment & Settlement and Reserve accounts	428,251,811,803	197,252,283,748
Issue accounts	13,706,062,964	18,856,735,649
Open market operation deposits	44,090,410,959	-
	486,048,285,725	216,109,019,397

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18. Balance with /due to International Monetary Fund (IMF)

	30 June 2025	30 June 2024
	ETB	ETB
(a) Assets:		
Holdings of Special drawing rights (SDR)	3,692,352,062	175,145,512
Accr. Int. Receivable - Special Drawing Rights	3,508,731	1,336,566
Remuneration Fee	706,938	388,021
	<u>3,696,567,731</u>	<u>176,870,099</u>
 IMF Quota Subscription	 53,544,400,719	 22,557,124,177
	<u>57,240,968,450</u>	<u>22,733,994,276</u>
 (b) Liabilities:	 30 June 2025	 30 June 2023
	ETB	ETB
Local currency liability		
IMF No1 Account	61,993,805,709	26,116,679,870
IMF No2 Account	13,064,461	5,503,785
Securities Account-Promissory Notes Payable	2,261,005,350	13,435,920,372
	<u>64,267,875,520</u>	<u>39,558,104,027</u>
 Foreign Currency Liabilities to IMF		
ECF-Loan Disbursement	251,713,047,753	10,066,994,288
Allocation of special drawing rights (SDR)- Principal	77,723,627,620	31,347,340,068
Accrued charges on SDR allocation	387,685,235	212,779,905
Account Payable -GRA charges	83,853,360	153,057,183
	<u>329,908,213,968</u>	<u>41,780,171,444</u>
	<u>394,176,089,488</u>	<u>81,338,275,471</u>

The movements in IMF quota subscription during the year:

	30 June 2024	30 June 2024
Beginning balance	22,557,124,177	21,941,217,675
Current Fair Value adjustment	30,987,276,542	615,906,502
Total	<u>53,544,400,719</u>	<u>22,557,124,177</u>

NBE holds funds it has received from international financial institutions as either loans or direct bank deposits that it is obliged to repay back as per the membership agreements. The obligation is measured at amortized cost.

Holdings of Special drawing rights (SDR) which is deposit denominated in SDR is used to effect payments against IMF obligations such as loan repayments and charges. The SDR currency is derived from a basket of 5 currencies (USD, EURO, GBP, JPY and Yuan).



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18. Balance with /due to International Monetary Fund (IMF) (continued)

Ethiopia has been a member of the International Monetary Fund (IMF) since 1945. The Bank acts as the fiscal agent that conducts the financial transaction with the IMF and designated as the depository for IMF's currency holdings. The Ethiopia's quota in IMF stood at SDR 300.7 million (2024; SDR 300.7 million), which represents 4,459 votes' equivalent to 0.09% of voting rights. The quota is determined upon admission to the IMF and is increased periodically under general quotas reviews. The Ethiopia's quota in IMF is its membership subscription which is granted mainly by the issue of promissory notes in favor of the IMF and partly by foreign currency payments by the Government of Ethiopia. Being in line with strategic investment criteria, Ethiopia's quota in the IMF was designated as measured at FVOCI. The variation of the quota recorded during the reporting period represents the revaluation of the fair value of the quota in SDR at the exchange rate of Ethiopian Birr as determined by IMF at 30 April, 2025.

IMF currency holdings are held in the form of either promissory notes which are payable on demand and non-interest bearing & non-negotiable or in the No. 1 and No. 2 Accounts, which are deposit accounts of the IMF with the Bank. Its valuation is done on a quarterly basis with IMF requirements for these specific Accounts. The amounts included in the Local currency liability also include the loans received by the Bank from the IMF. The loans are denominated in Special Drawing Rights (SDR), while measured in the equivalent of Ethiopian Birr at the end of the reporting period.

Borrowings from and repayments to the IMF are denominated in Special Drawing Rights (SDRs).

As of 30 June 2025, the Bank's outstanding balance of loans due to IMF is as follows:

- EFF commitments - SDR 67.65 million (30, June 2024 - SDR 82.69 million)
- ECF commitment-SDR 1,347.69 million (30, June 2024 - SDR 133.64 million)
- SDR allocations - SDR 416.13 million (30, June 2024 - SDR 416.13 million)

The Extended Fund Facility (EFF) represents the loans granted to the IMF members to finance the balance of payments deficit. IMF granted a loan under the EFF amounting to SDR 90.21 million on December 18, 2019, for a 10-year term, including a 4.5-year grace period. The interest rate on this loan is floating, determined on weekly basis and includes a margin set by the IMF.

The Extended Credit Facility (ECF, previously PRGF) represents the loans granted to the countries that meet the eligibility criteria approved by the IMF under concessional financing to support economic growth and poverty reduction. The IMF granted loan under ECF facility amounting to SDR 133.6 million on December 16, 2019 for a 10-year term and with a 5.5-year grace period. During the year ended 30 June 2025, Ethiopia received additional financing under the Extended Credit Facility (ECF) from the International Monetary Fund (IMF), amounting to SDR 1,214.05 million. The loan was disbursed in three installments and carries a maturity period of 10 years, including a grace period of 5.5 years. In accordance with the IMF Executive Board's decision, the facility is non-interest bearing.

The Rapid Financing Instrument (RFI) represents the loans granted to the countries that meet the eligibility criteria approved by the IMF for Direct budget financing. The IMF granted RFI loans to Ethiopia amounting to SDR 300.7 million on April 30, 2020 for a 5-year term and with a 3.25-year grace period. The interest rate on this loan is market-determined Special Drawing Rights (SDR) interest rate-which has a minimum floor of 5 basis points and a margin (currently 100 basis points), together known as the basic rate of charge as set by the IMF.

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18. Balance with /due to International Monetary Fund (IMF) (continued)

To present Ethiopia's complete financial position to the IMF, the table below outlines the amounts of financing funds received by Ethiopia from the IMF:

Loans and other financing from the IMF	Balance as 30 June 2024	Reimbursements	Receipts	Balance as 30 June 2025
	SDR' in millions	SDR' in millions	SDR' in millions	SDR' in millions
National Bank of Ethiopia	82.69	15.04	-	67.65
Ministry of Finance	-	-	-	-
EFF	82.69	15.4	-	67.65
National Bank of Ethiopia	133.64	-	849.83	983.47
Ministry of Finance	-	-	364.22	364.22
ECF	133.64	-	1,214.05	1,347.69
National Bank of Ethiopia	-	-	-	-
Ministry of Finance	150.35	150.35	-	-
RFI	150.35	150.35	-	-
National Bank of Ethiopia	416.13	-	-	416.13
Ministry of Finance	-	-	-	-
SDR allocations	416.13	-	-	416.13

SDR allocations represent the general reserve allocations in SDR made by the IMF in August 2009 and the special allocations distributed by the IMF in September 2009 under Amendment IV to the IMF Statute.

At the same time, on 2 August 2021, the Board of Governors of the IMF approved a resolution on a new procedure for allocating special drawing rights to member countries, in proportion to the size of Ethiopia's share in the IMF held at the date of the decision. On 23 August 2021, SDR 288.2 million were allocated and transferred to Government of Ethiopia, the allocation rate being about 95.84% of the size of the Quota.

19. Due to International Financial institutions

Deposits due to international financial institutions were as follows:

	30 June 2025	30 June 2024
International Bank for Reconstruction and Development (IBRD)	34,076,970	34,977,247
International Development Association	705,368	705,369
Multilateral Investment Guarantee Agency	156,782	156,782
	34,939,120	35,839,398



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20. Due to other institutions

	<u>30 June 2025</u>	<u>30 June 2024</u>
<i>Deposits from foreign institutions</i>		
Foreign currency deposits due to International institutions	-	257,699,053
Time deposits due to Saudi Arabia ¹	142,275,121,739	58,787,223,651
Time deposit due to Abu Dhabi ²	410,337,707,093	173,801,420,366
	<u>552,612,828,833</u>	<u>232,846,343,070</u>

¹Saudi Arabia deposited a time deposit worth USD 1billion with NBE in November 2015 for a period of 6 years at an interest rate of 3%. NBE received an additional time deposit of USD 500 Million in period ended 30 June 2019 after repaid same amount from November 2017 - November 2019 as per the repayment contract. The two parties agreed to a new repayment plan. NBE did not offer any collateral for the time deposit.

²NBE received a time deposit amounting to USD 1 billion from Abu Dhabi Fund in period ended 30 June 2019 at a fixed interest rate of 3% per annum payable semi- annually. Additionally, in October 2023, the Bank received a new time deposit of USD 2 billion from Abu Dhabi Fund originally issued with a one-year maturity and subsequently extended for a further one year, bearing a fixed interest rate of 4% per annum, payable semi-annually.

21. Currency in circulation

	<u>30 June 2025</u>	<u>30 June 2024</u>
Notes	343,169,669,630	257,467,545,704
Coins	1,368,786,858	1,368,299,053
	<u>344,538,456,488</u>	<u>258,835,844,757</u>



-NBE issues notes and coins on behalf of the government to the country to run the economy; monitor the inflation rates and maintain economic stability. These are non-interest-bearing liabilities and are due on demand.

22. Provisions

	<u>Bonuses</u>	<u>Legal</u>	<u>Total</u>
Balances at 30 June 2023	38,196,259	3,223,446	41,419,704
Increases (decrease) recorded in profit or loss	42,036,804	(794,413)	41,242,391
Paid during the year	(38,196,259)	-	(38,196,259)
Balances at 30 June 2024	42,036,804	2,429,033	44,465,837
Increases (decrease) recorded in profit or loss	46,867,070	(423,446)	46,443,624
Provisions used during the year	(42,036,804)	-	(42,036,804)
Balances at 30 June 2025	46,867,070	2,005,587	48,872,657

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22. Provisions (continued)

Bonus represent short-term benefits arising from past services provided by employees and are expected to be paid within the next 12 months. Legal provisions represent various claims that are pending outcome at the courts which the Bank's legal team has determined that Bank is more than probable to lose. The Bank has created a provision for this amount to ensure the Bank is covered when the legal claims are decided against the Bank. During the financial year ended 30 June 2025, the Bank was not engaged with a determined exposure related to legal matters. However, a previously recognized provision of Birr 423,446.37 related to an ongoing legal case was reversed during the year, as the case was resolved in favor of the Bank. The reversal of this provision has been duly recorded in the statement of profit or loss for the year.

23. Government grants

(a) Land grant

NBE was awarded five (5) parcels of land by the Federal government on which the Bank constructed buildings for its own use. Below are the details of the land awarded by Federal government:

Location	Sub-city	Landholding certificate issue date	Size (metres squared)	Lease term
Addis Ababa	Akaki Kaliti	28 February 2000	165,067	Refer to comment below ²
Addis Ababa	Lideta	17 July 2011	7,669	
Addis Ababa	Lideta	12 January 1999	5,862	
Addis Ababa	Lideta ¹	01 July 1978	-	
Addis Ababa	Kirkos	04 December 2018	4,869	

¹ The bank awaits a revised land holding certificate which will determine the correct sizes of the parcel of land

² At the time of award of these parcels of land, there were no lease terms defined as they were indicated as old possessions in the certificate of ownership. Further the bank has not been making any lease payments on these properties

The Bank was awarded additional six (6) parcels of land by the regional governments and chartered cities which were awarded free of charge. The Bank settled displacement cost and annual government land use rates related to the land awarded. The land was donated to NBE in order to enhance the Banks' ability to provide central banking services to institutions in various regions and cities. The right to use additional land in Kombolcha (Amhara region) commenced on 9 February 2016 and is still in progress. There are no unfulfilled conditions or contingencies attached to this government grants.



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23. Government grants (continued)

(a) Land grant (continued)

Below are the details of land awarded by the regional governments:

Regional government	Location	Landholding certificate issue date	Size (metres squared)	Lease term
Diredawa	Dire dawa	06 July 2017	12,000	99 years
Amhara	Bahir Dar City	20 October 2015	12,000	70 years
SNNP	Hawasa	05 August 2016	10,855	99 years
SNNP	Wolata Sodo ¹	29 October 2015	12,000	Refer to comment ¹ below
Tigray	Mekele ¹	20 October 2015	8,807	
Amhara	Kombolcha ²	09 February 2016	12,000	Refer to comment ² below

¹ No lease term defined for these two (2) parcels of land. The certificate of ownership for these two parcels of land indicates these as old possessions.

² The bank has received a temporary documentation for this parcel of land and currently awaits the official land holding certificate that should define the lease term.

The bank received all six (6) parcels of land free of any lease payments from the regional governments and is not expected to make any lease payments even on the parcels of land with a defined lease term.

The Bank has incurred the following costs in fulfilling the land grant conditions and contingencies.

Regional government	Location	Displacement costs ETB
Diredawa	Dire dawa	2,822,639
SNNP	Wolata Sodo	8,059,041
SNNP	Hawasa	195,498
Amhara	Kombolcha	2,094,363

The above displacement costs have been recorded under capital work in progress (CWIP). The costs will be capitalized under buildings when the construction is finalized for the same.

(b) Monetary donation

Monetary grants refer to donations received in the form of money. The Bank received a monetary donation for the purchase of twenty laptops from Rural Financial Intermediation Programme III (RUFIP) on 02 Oct 2023. During the year ended 30 June 2025 the Bank received additional monetary donation for the purchase of fifty laptops from World Bank group and UNDP for financial sector strengthening project (FSSP).

The laptops purchased from RUFIP fund were used by the Microfinance Supervision Directorate to enhance efficiency in provision of services to Microfinance institutions. The Bank adopted government grant accounting for asset-based grants and recognizes the laptops at cost under property and equipment. The laptops have been classified under property and equipment.

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23. Government grants (continued)

(c) Non-monetary donation

Non-monetary grants refer to donations received in kind. The Bank did not receive any non-monetary donations during the financial year ended 30 June 2025.

There are no unfulfilled conditions or contingencies attached to these donations.

(d) Deferred revenue

Cost	ETB	30 June 2025	30 June 2024
Balance as at 1 July		18,844,316	16,061,708
Additions		8,602,967	2,782,6099
Balance at 30 June		27,447,283	18,844,317
<i>Amortization</i>	ETB		
Balance as at 1 July		(10,451,483)	(7,182,862)
Additions		(4,004,944)	(3,268,622)
Balance at 30 June		(14,456,427)	(10,451,484)
Net balance		12,990,855	8,392,833

24. Due to the Ministry of Finance

	30 June 2025	30 June 2024
Balance as at 1 July	-	11,120,875,954
Less: Dividends paid during the year	-	-
Less: Transfer to General Reserve¹	-	(11,120,875,954)
	-	-
Add: Operating surplus for the year	-	-
Balance as at 30 June	-	-

¹ In accordance with the new NBE proclamation No.1359/2025, the Bank has to transfer its net profit (surplus) excluding unrealized gains/loss to the Ministry of Finance when the General Reserve Fund reaches a level equal to 5% of the Bank's monetary liabilities as defined in the proclamation. No profit distributions to the Ministry of Finance may occur until this threshold is fully met. The Bank is owned by the Government through the Ministry of Finance.



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25. Employee benefits

(a) Movements in the present value of defined benefit obligations (DBO)

	<u>30 June 2025</u>	<u>30 June 2024</u>
Defined Benefit Obligations (DBO) at beginning of the year	408,533,094	394,772,324
Current service costs	25,286,863	24,035,328
Interest cost	60,636,713	58,974,514
Past service cost	-	-
Remeasurements generated during the period	(831,059)	(1,067,714)
Payments/Settlements in the year	(20,160,362)	(17,702,588)
Included in profit or loss during the period	64,932,155	64,239,540
Actuarial losses/ (gains) recognized in other comprehensive income	(29,936,428)	(50,478,770)
Defined Benefit Obligations (DBO at the end of the year	443,528,821	408,533,094

This defined benefit plan exposes the Bank to actuarial risks, such as longevity risk, currency risk, interest risk and market risk.

(b) Actuarial losses/ (gains) recognized in other comprehensive income

	<u>30 June 2025</u>	<u>30 June 2024</u>
Cumulative amount at 1 July	(68,903,678)	(119,382,448)
Recognized during the year	29,936,428	50,478,770
Actuarial losses/(gains)	(38,967,250)	(68,903,678)

(c) Actuarial assumptions

The principal actuarial assumptions at the reporting date are detailed below:

	<u>30 June 2025</u>	<u>30 June 2024</u>
Discount rate	15.00%	14.75%
Salary increase rate	16.00%	15.75%
Long term inflation rate	-	-
Long term medical inflation rate	13.00%	12.75%
Funeral Benefit Escalation rate	11.00%	10.75%

The assumed discount rates are derived from rates available on government bonds for which the timing and amounts of payments match the timing and the amounts of our projected post-employment benefits pay-outs.



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25. Employee benefits (continued)

(c) Actuarial assumptions (continued)

Reasonably possible changes at the reporting date, in any of the actuarial assumptions and assuming that all the other variables remain constant, would have affected the defined benefit obligations as of 30 June 2025 by the amounts shown below:

Sensitivity analysis:

	30 June 2025		30 June 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(57,530,811)	73,025,501	67,221,001	(57,827,925)
Salary increase rate (1.00% movement)	44,272,712	(37,376,894)	39,972,814	(33,618,546)

The above sensitivity analysis has been determined based on reasonably possible changes on the actuarial assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

26. Other liabilities

Other liabilities as of the reporting dates are as follows:

	30 June 2025	30 June 2024
Accounts payable	534,758,043	274,012,840
Sundry creditors	1,095,574,063	93,539,547
Reconciling items*	-	23,000,000,000
	<u>1,630,332,106</u>	<u>23,367,552,387</u>

*The balance under Reconciling items for the prior period was related to pending settlements for fund transfers to banks on behalf of various government agencies. These amounts were subsequently cleared during financial reporting period 2025 F.Y.



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27. Capital and other reserves

(a) Capital

In accordance with Proclamation No. 1359/2025, the authorized capital of the National Bank of Ethiopia is ETB 20 billion, with a minimum paid-up capital of ETB 10 billion. The Board of Directors may increase the authorized capital and transfer amounts from the General Reserve Account to increase the paid-up capital as needed. The Government is required to ensure that the paid-up capital remains undiminished at all times and that the Bank maintains solvency in compliance with statutory requirements.

Capital is meant to act as a risk management tool and covers the Bank against any risk and also prevents insolvency. The Bank is wholly owned by the Government of the Federal Democratic Republic of Ethiopia.

(b) General reserve

The General Reserve is a statutory reserve and is defined in the NBE proclamation No. 1359/2025. The limit of the General Reserve is set to be equal to 5% of the Bank's monetary liabilities. If the Bank has net profits at the end of a financial year, unrealized gains or losses arising from revaluation are excluded from distributable profits and transferred to the Revaluation Reserve. The remaining net profit, after such deduction, shall be transferred to the General Reserve Fund until it reaches the 5% threshold set thereon.

Where the General Reserve Fund reaches the maximum threshold, the remaining net profits shall be transferred to the account of the Ministry within six months after the end of the financial year. Net losses of the Bank shall be debited from the General Reserve Fund. If, at any time, as a result of net losses sustained by the Bank, the General Reserve Fund is less than the monetary liabilities of the Bank, the provisions of Article 8(4)(b) of the Proclamation shall be applicable.

(c) International reserve valuation

This reserve was set up to absorb foreign currency exchange revaluation gains/loss during translation. The NBE proclamation and parliamentary directives have not set any limits or thresholds for this reserve.

The unrealized net foreign exchange translation gains/loss do not form part of distributable profits for the Bank and hence have been subsequently appropriated to the revaluation reserve in the statement of changes in equity in line with the Bank's mandate of reserve management as per the NBE proclamation No.1359/2025.

(d) Retained earnings

This reserve acts as a temporary reserve. The proclamation states that net annual profits excluding unrealized gains/loss be transferred to the General reserve till it match 5% of the Bank's monetary liabilities. After this limit has been reached, remaining profits earned during the year are transferred to the Ministry of Finance (MOF) as dividends within six months.



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27. Capital and other reserves (continued)

(e) Fair value reserve

This reserve comprises the cumulative net change in the fair value changes of investment securities and IMF quota. All unrealized gains and losses are recognized in other comprehensive income and credited to the fair value reserve until the investment is derecognized or impaired. This reserve is not available for distribution.

(f) Defined benefit reserve

This reserve represents the net effect of actuarial gains and losses recognized in other comprehensive income. These gains and losses arise from adjustments in the assumptions used for the actuarial valuation of the defined benefit obligations and is not recycled to profit or loss in future periods. This reserve is not available for distribution.

(g) Other reserve

This reserve arises from the IFRS transition adjustments. This reserve is not available for distribution.

28. Financial risk review

The Bank is involved in policy-oriented activities including targeted inflationary monetary policy using monetary controlling instruments. With this regard, the Bank's risk management framework differs from the risk management frameworks for commercial banks because of the difference in their perspective objectives and the nature of assets and liabilities. The Bank's overall risk management program focuses on the Bank's role of maintaining price and exchange rate stability and supporting sustainable economic growth.

The Bank is exposed to a wide array of risks such as foreign currency liquidity, credit, foreign exchange rate, interest rate and gold price movement risks. Financial risk management requires identifying sources of risks, measuring of risks, and designing and implementing appropriate risk management tools, techniques and structure.

The Financial risks have been measured using foreign exchange liquidity gap, interest sensitive asset-liability gap, single foreign currency asset-liability open positions, and credit risk exposure measurement techniques. The major sources of Bank's financial risks are mismatches of assets and liabilities, counter party failure to repay the balances, changes in foreign exchange and interest rate as well as movement in gold prices.



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28. Financial risk review (continued)

The responsibility for risk management is decentralized and is carried out by the different directorates with the Board of Directors providing oversight role. A Risk management team is responsible for advising the management on the monitoring and management of all risks that the Bank faces. The Internal Audit and Risk Management Directorate (IAMRD) is responsible for the development and regular update of the Risk Management Framework. The Directorate regularly reviews and monitors the implementation and effectiveness of the risk management process, including the development of an appropriate risk management culture across the Bank.

The main financial risks to which the Bank is exposed include:

- a.) Financial risks include:
 - i. Credit risk
 - ii. Market risks including: Interest rate risk; Gold commodity price risk and Foreign exchange risk
- b.) Liquidity risk
- c.) Non-financial risks include:
 - Operational risk
 - Human resource risk
 - Reputational risk
 - Cyber security risk



i.) Credit risk

Credit risk is the risk of loss arising from the failure of a borrower, issuer, counterparty or customer to meet its financial obligation to the Bank. Credit risk could result from complete or partial failure of the counterparties to fulfill their contractual financial obligations with the Bank in accordance with agreed terms or from change in credit quality.

Credit risk exposures arise from investment securities, balances due from banking institutions, funds held with IMF, loans, and advances as well as other assets. The Bank has no significant concentrations of credit risk except for the securities relating to Government of Ethiopia.

Management of credit risk is through a choice of depository banks. The Bank's choice of depository banks is confined to top international banks that meet the set eligibility criteria of financial soundness on long-term credit rating (A), short-term credit rating (F1), composite rating and capital adequacy.

The amount that best represents the Bank's maximum exposure to credit risk is per the statement of financial position.

The Bank assesses the credit quality of these assets. None of the balances have had their terms renegotiated as a result of non-performance. Management monitors the credit exposure of staff on a continuous basis, taking into account their financial position, past experience and other factors.

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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

Credit quality analysis

The following table sets out information about the credit quality of financial assets measured at amortized cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts. For loan commitments the amounts in the table represent the amounts committed.

	30 June 2025			
	Staging			
Financial assets	Stage 1	Stage 2	Stage 3	Total
Balances due from foreign entities – commercial banks	126,457,112,325	-	-	126,457,112,325
Balances due from foreign entities – Central banks	456,880,198,197	-	-	456,880,198,197
Cash - foreign currencies	8,881,794,696	-	-	8,881,794,696
Funds held with IMF	3,696,567,731	-	-	3,696,567,731
Loans to government banks	114,160,396,802	-	-	114,160,396,802
Loans to private commercial banks	-	1,143,401,411	-	1,143,401,411
Other assets – Staff loans	177,672,827	-	890,769	178,502,108
Other assets – Staff advances	8,018,056	448,091	724,973	8,771,784
Due from Government of Ethiopia	739,584,073,003	-	-	739,584,073,003
Total gross exposure	1,449,845,833,638	1,143,849,502	1,134,917	1,450,990,818,058
Loss allowance	(4,607,065,289)	(42,250,227)	(1,134,917)	(4,650,450,434)
Carrying amount	1,445,238,768,348	1,101,599,275	-	1,446,340,367,624

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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

Credit quality analysis

	30 June 2024			
	Staging			
Financial assets	Stage 1	Stage 2	Stage 3	Total
Balances due from foreign entities – commercial banks	32,061,462,892	-	-	32,061,462,892
Balances due from foreign entities – Central banks	47,483,737,622	-	-	47,483,737,622
Cash - foreign currencies	712,631,306	-	-	712,631,306
Funds held with IMF	176,870,099	-	-	176,870,099
Loans to government banks	134,953,595,130	-	-	134,953,595,130
Loans to private commercial banks	13,210,129,048	-	-	13,210,129,048
Other assets – Staff loans	160,112,213	-	186,701	160,298,913
Other assets – Staff advances	4,853,910	77,803	3,460,238	8,391,951
Due from Government of Ethiopia	<u>687,897,177,830</u>	<u>-</u>	<u>-</u>	<u>687,897,177,830</u>
Total gross exposure	916,660,570,050	77,803	3,646,938	916,664,294,791
Loss allowance	<u>(5,462,410,942)</u>	<u>(188)</u>	<u>(3,646,938)</u>	<u>(5,466,058,068)</u>
Carrying amount	<u>911,198,159,108</u>	<u>77,615</u>	<u>-</u>	<u>911,198,236,723</u>

Impairment of loans is recognized - on an individual or collective basis - in three stages under IFRS 9. Stage 1 refers to default events that are possible within the next 12 months from loan origination. Stage 2 refers to significant increase in credit risk since initial recognition. Stage 3 refers to an increase in a loan's credit risk to the point where it is considered credit impaired. Further explanations on the approaches to staging are included in Note 3 (b).

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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

Expected Credit Loss allowance movement

The following table explains the changes in the loss allowance between the previous period and the current reporting period due to change in credit risk factors.

	Stage 1 12 month ECL ETB	Stage 2 Life time ECL ETB	Stage 3 Life time ECL ETB	Total ETB
a. Loss allowance- Balances with Foreign banks				
Loss allowance as at 01 July 2024	5,864,427	-	-	5,864,427
Movement with impact in the statement of profit or loss;				
New financial asset originated or purchased	27,748,733	-	-	27,748,733
Financial asset that have been derecognised/matured	(119)	-	-	(119)
Effects of change in foreign exchange rate	23,791,411	-	-	23,791,411
Change in risk parameters (LGD/PD)	65,111,171	-	-	65,111,171
Transfer between stages	-	-	-	-
Total net P&L charge during the year	116,651,195	-	-	116,651,195
Loss allowance as at 30 June 2025	122,515,622	-	-	122,515,622

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28. Financial risk review (continued)

a.) Financial risks (continued)

i. Credit risk (continued)

Expected Credit Loss allowance movement (continued)

	Stage 1 12 month ECL ETB	Stage 2 Life time ECL ETB	Stage 3 Life time ECL ETB	Total ETB
b. Loss allowance`-Loans and advances				
Loss allowance as at 01 July 2024	5,456,546,515	188	3,646,938	5,460,193,641
Movement with impact in the statement of profit or loss;				-
New financial asset originated or purchased	272,173,337	42,248,682	-	314,422,019
Financial asset that have been derecognised/matured	(597,321,203)	-	(3,154,600)	(600,475,803)
Change in risk parameters (LGD/PD)	(646,205,045)	-	-	(646,205,045)
Transfer between stages	(643,937)	1,358	642,579	-
Total net P&L charge during the year	(971,996,848)	42,250,040	(2,512,021)	(932,258,829)
Loss allowance as at 30 June 2025	4,484,549,667	42,250,227	1,134,917	4,527,934,812
c. Total Loss allowance as at 30 June 2025 (a+b)	4,607,065,290	42,250,227	1,134,917	4,650,450,434



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28. Financial risk review (continued)

a.) Financial risks (continued)

i. Credit risk (continued)

Expected Credit Loss allowance movement (continued)

	Stage 1 12 month ECL ETB	Stage 2 Life time ECL ETB	Stage 3 Life time ECL ETB	Total ETB
a. Loss allowance` - Balances with Foreign banks				
Loss allowance as at 01 July 2023	5,326,722	-	-	5,326,722
Movement with impact in the statement of profit or loss				-
New financial asset originated or purchased	657,011	-	-	657,011
Financial asset that have been derecognised/settled	(235,914)	-	-	(235,914)
Change in risk parameters (LGD/PD)	116,607	-	-	116,607
Transfer between stages	-	-	-	-
Total net P&L charge during the year	537,705	-	-	537,705
Loss allowance as at 30 June 2024	5,864,427	-	-	5,864,427



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28. Financial risk review (continued)

a.) Financial risks (continued)

i. Credit risk (continued)

Expected Credit Loss allowance movement (continued)

	Stage 1 12 month ECL ETB	Stage 2 Life time ECL ETB	Stage 3 Life time ECL ETB	Total ETB
b. Loss allowance`-Loans and advances				
Loss allowance as at 01 July 2023	4,768,458,981	554	1,256,664	4,769,716,199
Movement with impact in the statement of profit or loss				-
New financial asset originated or purchased	745,388,501		6,380	745,394,881
Financial asset that have been derecognised/settled	(100,809,302)	(105)	(643)	(100,810,050)
Change in risk parameters (LGD/PD)	43,508,335	(261)	2,384,538	45,892,612
Transfer between stages	-	-	-	-
Total net P&L charge during the year	688,087,534	(366)	2,390,274	690,477,442
Loss allowance as at 30 June 2024	5,456,546,515	188	3,646,938	5,460,193,641
c. Total Loss allowance as at 30 June 2024 (a+b)	5,462,410,942	188	3,646,938	5,466,058,068



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28. Financial risk review (continued)

a.) Financial risks (continued)

i. Credit risk (continued)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to the relevant financial assets is as follows:

	Stage 1 12 month ECL ETB	Stage 2 Life time ECL ETB	Stage 3 Life time ECL ETB	Total ETB
a. Gross carrying amount - balance with foreign Commercial banks				
Gross carrying amount as at 01 July 2024	32,061,462,892	-	-	32,061,462,892
Movement with impact in the Statement of Financial Position Changes in the gross carrying amount				
New financial asset originated or purchased	50,821,854,534	-	-	50,821,854,534
Financial asset that have been derecognised/matured	(217,986)	-	-	(217,986)
Change in risk parameters	-	-	-	-
Effects of change in foreign exchange rate	43,574,012,885	-	-	43,574,012,885
Transfer between stages	-	-	-	-
Gross carrying amount as at 30 June 2025	126,457,112,325	-	-	126,457,112,325



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28. Financial risk review (continued)

a.) Financial risks (continued)

i. Credit risk (continued)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to the relevant financial assets is as follows:

b. Gross carrying amount - balance with Central banks (including fund held with IMF)	Stage 1 12 month ECL ETB	Stage 2 Life time ECL ETB	Stage 3 Life time ECL ETB	Total ETB
Gross carrying amount as at 01 July 2024	47,660,607,721	-	-	47,660,607,721
Movement with impact in the Statement of Financial Position Changes in the gross carrying amount				
New financial asset originated or purchased	348,581,438,349	-	-	348,581,438,349
Financial asset that have been derecognised/matured	(49)	-	-	(49)
Change in risk parameters	-	-	-	-
Effects of change in foreign exchange rate	64,334,719,906	-	-	64,334,719,906
Transfer between stages	-	-	-	-
Gross carrying amount as at 30 June 2025	460,576,765,928	-	-	460,576,765,928



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28. Financial risk review (continued)

a.) Financial risks (continued)

i. Credit risk (continued)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to the relevant financial assets is as follows:

c. Gross carrying amount - Loans and advances	Stage 1 12 month ECL ETB	Stage 2 Life time ECL ETB	Stage 3 Life time ECL ETB	Total ETB
Gross carrying amount as at 01 July 2024	836,225,868,134	77,803	3,646,938	836,229,592,875
Movement with impact in the Statement of Financial Position Changes in the gross carrying amount				
New financial asset originated or purchased	51,708,632,801	1,143,401,411	-	52,852,034,212
Financial asset that have been derecognised/matured	(34,003,327,379)	-	(3,154,600)	(34,006,481,980)
Change in risk parameters	-	-	-	-
Transfer between stages	(1,012,867)	370,288	642,579	-
Gross carrying amount as at 30 June 2025	855,073,562,104	1,143,849,502	1,134,917	855,075,145,107
d. Total Gross carrying amount as at 30 June 2025 (a+b+c)	1,442,113,316,378	1,143,849,502	1,134,917	1,442,109,023,360



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28. Financial risk review (continued)

a.) Financial risks (continued)

i. Credit risk (continued)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to the relevant financial assets is as follows:

	Stage 1 12 month ECL ETB	Stage 2 Life time ECL ETB	Stage 3 Life time ECL ETB	Total ETB
a. Gross carrying amount - balance with foreign Commercial banks				
Gross carrying amount as at 01 July 2023	26,551,779,926	-	-	26,551,779,926
Movement with impact in the Statement of Financial Position				
Changes in the gross carrying amount				
New financial asset originated or purchased	8,596,405,225	-	-	8,596,405,225
Financial asset that have been derecognised/settled	(3,086,722,259)	-	-	(3,086,722,259)
Change in risk parameters	-	-	-	-
Transfer between stages	-	-	-	-
Gross carrying amount as at 30 June 2024	32,061,462,892	-	-	32,061,462,892



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28. Financial risk review (continued)

a.) Financial risks (continued)

i. Credit risk (continued)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to the relevant financial assets is as follows:

b. Gross carrying amount - balance with Central banks (including fund held with IMF)	Stage 1 12 month ECL ETB	Stage 2 Life time ECL ETB	Stage 3 Life time ECL ETB	Total ETB
Gross carrying amount as at 01 July 2023	27,334,682,693	-	-	27,334,682,693
Movement with impact in the Statement of Financial Position Changes in the gross carrying amount				
New financial asset originated or purchased	24,395,055,518	-	-	24,395,055,518
Financial asset that have been derecognised/settled	(4,069,130,490)	-	-	(4,069,130,490)
Change in risk parameters	-	-	-	-
Transfer between stages	-	-	-	-
Gross carrying amount as at 30 June 2024	47,660,607,721	-	-	47,660,607,721



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28. Financial risk review (continued)

a.) Financial risks (continued)

i. Credit risk (continued)

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to the relevant financial assets is as follows:

c. Gross carrying amount - Loans and advances	Stage 1 12 month ECL ETB	Stage 2 Life time ECL ETB	Stage 3 Life time ECL ETB	Total ETB
Gross carrying amount as at 01 July 2023	740,781,688,155	121,750	1,256,664	740,783,066,569
Movement with impact in the Statement of Financial Position Changes in the gross carrying amount				
New financial asset originated or purchased	118,412,913,052	-	2,658,200	118,415,571,252
Financial asset that have been derecognised/settled	(22,968,733,073)	(43,947)	(267,926)	(22,969,044,946)
Change in risk parameters	-	-	-	-
Transfer between stages	-	-	-	-
Gross carrying amount as at 30 June 2024	836,225,868,134	77,803	3,646,938	836,229,592,875
d. Total Gross carrying amount as at 30 June 2024 (a+b+c)	915,947,938,747	77,803	3,646,938	915,951,663,489



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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

Credit Risk Exposure

Credit Risk Exposure by Credit Rating



The table below shows the credit ratings by rating agencies for the different counterparties that the Bank engages with and denotes the credit quality of financial assets traded with these entities.

No	List of Correspondent Banks – Current Account Balances	Type of Institution	Credit Ratings as of 30 June 2025		
			Fitch	S&P	Moody's
1	Federal Reserve Bank	Central Bank	AA+	AA+	Aa1
2	BIS Basel	Central Bank	AAA	AAA	Aaa
3	Bank of England	Central Bank	AA-	AA	Aa3
4	Deutsche Bundesbank	Central Bank	A-	AAA	Aaa
5	Banque Nati De Belgique	Central Bank	AA-	A+	A2
6	Commerzbank	Commercial Bank	BBB+	A	Aa3
7	Citibank New York	Commercial Bank	A+	A+	Aa3
8	Bank of Tokyo	Commercial Bank	A	A	A1
9	JP Morgan Chase Bank	Commercial Bank	AA-	A	Aa3
10	National Westminster	Commercial Bank	AA-	A+	A1
11	Standard Chartered Bank, London	Commercial Bank	A+	A+	A1
12	Central Bank of The United Arab Emirates	Central Bank	AA-	AA	Aa2
13	Eastern and Southern Africa Trade and Development Bank	Commercial Bank	BB+	BB+	Ba1
14	Afreximbank	Commercial Bank	BBB-	BBB-	Baa2
15	Standard Chartered Bank South Africa	Commercial Bank	BB-	BB-	Baa3

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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

Credit Risk Exposure

Credit Risk Exposure by Credit Rating

Total assets of the Bank exposed to credit risk as of 30 June 2025 with its comparative figures are presented in the table below according to the classification of assets (classification according to external credit rating is done based on credit ratings published by Standard and Poor's).

Description	30-Jun-25		30-Jun-24	
	ETB	Share (%)	ETB	Share (%)
Central Banks				
AAA To A-	456,880,198,196.69	31.68	47,483,737,572.77	5.18
BBB+	-	-	49.29	-
Foreign Commercial Banks				
AAA To A-	67,016,898,377.08	4.65	12,637,481,390	1.38
BBB+ To BB-	59,440,213,948.26	4.12	19,423,981,501.93	2.12
Due from Government of Ethiopia				
NR*	739,584,073,002.57	51.28	687,897,177,830	75.10
Loans to Government Banks				
NR*	114,160,396,802.31	7.92	134,953,595,130	14.73
Loans to Private Commercial Banks				
NR*	1,143,401,410.87	0.08	13,210,129,051	1.44
Fund held with IMF				
NR*	3,696,567,730.87	0.26	176,870,099	0.02
Other Asset				
NR*	187,273,891.61	0.01	168,690,864	0.02
	1,442,109,023,360	100	915,951,663,489	100

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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

Concentrations of credit risk

The Bank monitors concentrations of credit risk by geographic location and by counterparty type. An analysis of concentrations of credit risk is shown below.

Concentration by geographical location is based on the country of domicile of the issuer of the security. Concentration by counterparty type is based on the nature of the institution such as foreign governments, central banks and supranational institutions.

An analysis of the bank's financial assets by geographical concentration as at 30 June 2025 is as follow:

Description	Ethiopia ETB	USA ETB	UK ETB	Germany ETB	Other European Countries ETB	Africa ETB	Other Countries ETB	Total ETB
Assets								
Balances due from foreign entities - commercial banks	-	30,781,519,935	5,671,031,848	3,234,751,469	27,073,580,000	59,440,213,948	256,015,125	126,457,112,325
Balances due from foreign entities - Central banks	-	391,833,328,738	59,801,293,784	440,932,946	217,535,564	-	4,587,107,165	456,880,198,197
Funds held with IMF	-	3,696,567,731	-	-	-	-	-	3,696,567,731
Loans to government banks	114,160,396,802	-	-	-	-	-	-	114,160,396,802
Loans to private commercial banks	1,143,401,411	-	-	-	-	-	-	1,143,401,411
Other assets	187,273,892	-	-	-	-	-	-	187,273,892
Due from Government of Ethiopia	739,584,073,003	-	-	-	-	-	-	739,584,073,003
Total Financial assets at 30 June 2025	855,075,145,107	426,311,416,404	65,472,325,631	3,675,684,415	27,291,115,564	59,440,213,948	4,843,122,290	1,442,109,023,360

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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

Concentrations of credit risk

An analysis of the bank's financial assets by geographical concentration as at 30 June 2024 is as follow:

Description	Ethiopia	USA	UK	Germany	Other European Countries	Africa	Other Countries	Total
	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB
Assets								
Balances due from foreign entities - commercial banks	-	5,565,563,665	819,760,852	1,197,048,169	5,761,537,986	18,633,410,850	84,141,371	32,061,462,892
Balances due from foreign entities - Central banks	-	41,515,090,875	5,801,461,037	46,391,538	87,990,357	-	32,803,815	47,483,737,622
Funds held with IMF	-	176,870,099	-	-	-	-	-	176,870,099
Loans to government banks	134,953,595,130	-	-	-	-	-	-	134,953,595,130
Loans to private commercial banks	13,210,129,051	-	-	-	-	-	-	13,210,129,051
Other assets	168,690,864	-	-	-	-	-	-	168,690,864
Due from Government of Ethiopia	687,897,177,830	-	-	-	-	-	-	687,897,177,830
Total Financial assets at 30 June 2024	836,229,592,875	47,257,524,639	6,621,221,889	1,243,439,707	5,849,528,342	18,633,410,850	116,945,187	915,951,663,489



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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

a.) Amounts arising from ECL

Inputs, assumptions and techniques used for estimating impairment

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Bank considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Bank's historical experience and expert credit assessment and including forward-looking information. The Bank assesses significant increase in credit risk at portfolio level, of which the definition varies based on the asset type and contractual obligation of the counterparty.

If there is evidence that there is no longer a significant increase in credit risk relative to initial recognition, then the loss allowance on an instrument returns to being measured as 12-month ECL.

Some qualitative indicators of an increase in credit risk, such as delinquency or forbearance, may be indicative of an increased risk of default that persists after the indicator itself has ceased to exist. In these cases, the Bank determines a probation period during which the financial asset is required to demonstrate good behavior to provide evidence that its credit risk has declined sufficiently.

When contractual terms of a loan have been modified, evidence that the criteria for recognizing lifetime ECL are no longer met includes a history of up-to-date payment performance against the modified contractual terms.

The Bank monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that:

- The criteria are capable of identifying significant increases in credit risk before an exposure is In default;
- The average time between the identification of a significant increase in credit risk and default appears reasonable;
- there is no unwarranted volatility in loss allowance from transfers between 12-month PD (Stage 1) and lifetime PD (Stage 2).

For assessing the risk of default, at initial recognition, the Bank assigns to each exposure credit risk grade/ rating determined based on the credit risk assessment.



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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

a.) Amounts arising from ECL (continued)

Inputs, assumptions and techniques used for estimating impairment (Continued)

Significant increase in credit risk (continued)

The Bank, at initial recognition, allocates each exposure to banks a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applies experienced credit judgment.

Credit risk grades are defined using qualitative and quantitative factors that are indicative of risk of default. These factors vary depending on the nature of the exposure and the type of borrower. Credit risk grades are defined and calibrated such that the risk of default occurring increases exponentially as the credit risk deteriorates.

Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade/rating. The monitoring typically involves use of the following information.

- Foreign currency exposures- Data from credit rating agencies, press articles, changes in external credit ratings.

- Domestic currency exposures- Internally collected data on banks and supervisory indicators
Repayment history – this includes overdue status and financial situation of the borrower and Existing and forecast changes in business, financial and economic conditions.

The Bank monitors as financial assets that are subject to impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Bank will measure the loss allowance based on lifetime rather than 12-month ECL.

The Bank considers that the following quantitative, qualitative credit events constitute a significant increase in credit risk:

- Significant dip in operating results of counterparty;
- Credit Rating downgrade;
- When objective or subjective assessments indicate that the repayments will be in doubt even when the obligation is not due;
- Adverse Change in overall supervisory rating for the domestically supervised financial institution;
- Credit distress necessitated extension to terms granted;
- Significant adverse changes in the financial and /or economic conditions affecting the counterparty; and
- Signs of cash flow / liquidity distress.



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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

a.) Amounts arising from ECL (continued)

Inputs, assumptions and techniques used for estimating impairment (Continued)

Significant increase in credit risk (continued)

Irrespective of the outcome of the above assessment, the Bank presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due unless the Bank has reasonable and supportable information that demonstrates otherwise, except for loans and advance to Government and Government Banks which is presumed low credit risk exposure.

Days past due are determined by counting the number of days since the earliest elapsed due date in respect of which full payment has not been received.

The Bank monitors the effectiveness of the criteria used to identify significant increases in credit risk by regular reviews to confirm that the criteria are capable of identifying significant increases in credit risk before an exposure is in default.

Definition of default

The Bank considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Bank in full, without recourse by the Bank to actions such as realizing security (if any is held);
- A counterparty goes into delinquency, liquidation or forbearance;
- For short – term loans, the borrower is in arrears beyond the contractual maturity date; or
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.
- An entity fails to honor its financial obligations in accordance with the terms of the specific contract.
- Objective assessments indicate that the repayments will be in doubt even when the obligation is not due.
- A counterparty is 90 days or more past due on their obligations.

In assessing whether a borrower is in default, the Bank considers indicators that are:

- Qualitative: e.g. breaches of covenant and liquidation;
- Quantitative: e.g. overdue status and non-payment on another obligation of the same issuer to the Bank due to credit distress; and
- based on data sourced internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.



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Notes to the Financial Statements
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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

a.) Amounts arising from ECL (continued)

Inputs, assumptions and techniques used for estimating impairment (Continued)

Incorporation of forward-looking information

The Bank incorporates forward-looking information into both the assessment of whether the credit risk of exposures has increased significantly since its initial recognition and the measurement of ECL. Internal information considered in forward-looking ECL includes macro-economic data and forecasts by NBE's Economic Modeling and Statistical Analysis Directorate. This is in addition to default rate based on historical transactional data for local currency that the Bank has identified and documented as key drivers of credit risk and credit losses for each portfolio of financial instruments using an analysis of historical data.

To determine the ECL, the Bank formulates three economic scenarios: a base case which is the median scenario and two other scenarios, one upside and one downside scenario. The base case scenario provides a measure of the predictive power of the model and is based on the macroeconomic model's information value output. The upside and downside scenarios are based on a combination of a percentage error factor as well as simulated optimistic and pessimistic macroeconomic projections based on a measure of historical macroeconomic volatilities. The Bank also applies qualitative management adjustments to the three scenarios to obtain a weighted input based on economic outlook.

The Bank has analyzed the volatility arising from the economic impact of the global challenges, geopolitical & domestic Political instability and applied additional scenario analysis as well as stress tests to the macroeconomic overlay model. This includes application of stress tests on the downside scenario macroeconomic projections as well as qualitative adjustments to the base, upside and downside scenario weights. The Bank is continuously monitoring the economic impact of global challenges on its credit risk profile as well as the Forward - looking Expected credit loss estimates and will update its IFRS 9 Forward looking estimates as and when significant changes in the overall macroeconomic environment are experienced.



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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

a.) Amounts arising from ECL (continued)

Inputs, assumptions and techniques used for estimating impairment (Continued)

Incorporation of forward-looking information (Continued)

The key drivers for credit risk for each of the Bank's economic sectors are summarized below:

Financial year ended	Macro-Economic Factors			
	GDP	Fiscal/Balance of payment	Debt	Inflation
30 June 2025	- EXPENDITURE: Imports of goods and services, ETBbn	-FISCAL: Current Expenditures, ETBbn	-Government domestic debt, ETBbn	-Consumer price index, 2010 = 100, ave
30 June 2024	- EXPENDITURE: Imports of goods and services, ETBbn	-FISCAL: Current Expenditures, ETBbn	-Government domestic debt, ETBbn	-Consumer price index, 2010 = 100, ave

The macroeconomic data used as at 30 June 2025 included the following key indicators for Ethiopia for the year 2025 to 2026:

Macro-Economic Factor	30 June 2025	30 June 2026
GDP EXPENDITURE: Imports of goods and services, ETBbn	3,090.84	3,245.38
-FISCAL: Current Expenditures, ETBbn	799.20	1,183.70
INFLATION: Consumer price index, 2010 = 100, ave	495.60	545.2
DEBT: Government domestic debt, ETBbn	2,500.00	2,778.40

Predicted relationships between the key macroeconomic indicators and historical transactional data of 12 – month default rates have been developed based on analyzing annual historical data over the past 14 years.

The following are probability weightings applied in the forward - looking scenario analysis as at June 2025

	Upside	Median (Central)	Downside
30 June 2025	10%	80%	10%

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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

a.) Amounts arising from ECL (continued)

Inputs, assumptions and techniques used for estimating impairment (Continued)

Modified financial assets

The contractual terms of a financial asset may be modified for a number of reasons, including changing market conditions, customer retention and other factors not related to a current or potential credit deterioration of the customer. An existing facility whose terms have been modified may be derecognized and the renegotiated loan recognized as a new facility at fair value in accordance with the accounting policy set out in Note 3 (a (IV)).

When the terms of a financial asset are modified and the modification does not result in derecognition, the determination of whether the asset's credit risk has increased significantly reflects comparison of:

- The rationale for modification; with
- The Bank's assessment of available and supportable information with regards to the counterparty's credit risk profile prior to and after modification.

When modification results in derecognition, a new facility is recognized and allocated to Stage 1 (assuming it is not credit-impaired at that time).

The Bank may renegotiate loans to banks in financial difficulties (referred to as 'forbearance activities') to maximize collection opportunities and minimize the risk of default. Under the Bank's forbearance policy, loan forbearance is granted on a selective basis if the debtor is currently in default on its debt or if there is a high risk of default, there is evidence that the debtor made all reasonable efforts to pay under the original contractual terms and the debtor is expected to be able to meet the revised terms.

The revised terms usually include extending the maturity, changing the timing of interest payments and amending the terms of covenants.

For financial assets modified as part of the Bank's forbearance policy, the estimate of PD reflects whether the modification has improved or restored the Bank's ability to collect interest and principal and the Bank's previous experience of similar forbearance action. As part of this process, the Bank evaluates the borrower's payment performance against the modified contractual terms and considers various behavioral indicators.

Generally, forbearance is a qualitative indicator of a significant increase in credit risk and an expectation of forbearance may constitute evidence that an exposure is credit-impaired (see Note 3 (a (viii))). A Counterparty needs to demonstrate consistently good payment behavior over a period of time before the exposure is no longer considered to be credit-impaired/in default or the PD is considered to have decreased such that the loss allowance reverts to being measured at an amount equal to Stage 1.



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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

a.) Amounts arising from ECL (continued)

Inputs, assumptions and techniques used for estimating impairment (Continued)

Change in Key Estimates and Assumptions for ECL Measurement

During the year ended 30 June 2025, the Bank revised key assumptions used in measuring Expected Credit Losses (ECL) under IFRS 9 to enhance risk sensitivity and alignment with international and supervisory best practices. Loss Given Default (LGD) for foreign commercial bank exposures was updated from 10% to 45%, consistent with the Basel II/III Internal Ratings-Based benchmark for unsecured bank exposures. In addition, the Probability of Default (PD) methodology for local commercial banks was revised from a uniform regulatory floor of 0.05% to an internally derived, CAMEL-based approach incorporating capital adequacy, asset quality, earnings, and liquidity indicators which allows for a more risk-sensitive and forward-looking measure of credit risk for the banks. These revisions constitute changes in accounting estimates under IAS 8 and have been applied prospectively from 1 July 2024, with the effects reflected in the current year's ECL charge and closing impairment allowance; comparative figures have not been restated.

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default (PD);
- Loss given default (LGD); and
- Exposure at default (EAD).

Probability of Default (“PD”) –is an estimate of the likelihood of default over a given time horizon. Credit risk grades/ratings are a primary input into the determination of the term structure of PD for exposures. The Bank employs statistical models to analyze the data collected and assess performance and default of its credit risk exposures analyzed by counterparty as well as by credit risk grading/ratings.

The methodology for determining PDs for domestic private commercial banks has been derived from the overall CAMELS annual rating as adjusted by the quarterly offsite supervisory reports for each local financial institution. Domestic banks are not rated by credit rating agencies and exposure to local banks was very short term and fully collateralized by government securities.

For the assets denominated in foreign currency, the Bank uses 12-month PDs for sovereign and non-sovereign issuances, estimated based on the probability of default estimation of Standard and Poor's (S&P) 12-month transition matrices which indicate a possibility of bankruptcy over 12 months for issuers per each respective rating category.



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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

a.) Amounts arising from ECL (continued)

Inputs, assumptions and techniques used for estimating impairment (Continued)

Measurement of ECL (continued)

For exposures to the Ethiopian Government and Government-owned Banks in domestic currency, the estimated PD considers the historical default rate of transactional data and detailed assessments of the ability of the Government to fulfill its contractual cash flow obligations which considers also the macroeconomic indicators over the assessment period.

LGD is the magnitude of the likely loss if there is a default. The Bank primarily estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD is measured at segment level. For segments with no previous default experience, the Bank applies a minimum LGD approach, benchmarking against the Basel internal ratings-based measurement approach.

EAD represents the expected exposure in the event of a default. The Bank derives the EAD from the current exposure to the counterparty and potential changes to the current amount allowed under the contract and arising from amortization. The EAD of a financial asset is its gross carrying amount at the time of default.

The Bank measures ECL considering the risk of default over the maximum contractual period (including any borrower's extension options) over which it is exposed to credit risk, even if, for credit risk management purposes, the Bank considers a longer period.

ECL for exposures in Stage 1 is calculated by multiplying the 12-month PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

Where modelling of a parameter is carried out on a collective basis, the financial instruments are grouped on the basis of shared risk characteristics that primarily include risk assessment of the Bank's counterparties.

The groupings are subject to regular review to ensure that exposures within a particular group remain appropriately homogeneous. For portfolios in respect of which the Bank has limited historical data, external benchmark information is used to supplement the internally available data.



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28. Financial risk review (continued)

a.) Financial risks (continued)

i.) Credit risk (continued)

a.) Amounts arising from ECL (continued)

Inputs, assumptions and techniques used for estimating impairment (Continued)

Measurement of ECL (continued)

The portfolios for which internal and external benchmark information represents a significant input into measurement of ECL are as follows:

Segment	Exposure ETB	PD	LGD
Government	739,584,073,003	Historical default rate of transactional data's	Basel II recovery studies
Government banks	114,160,396,802	Historical default rate of transactional data's	Basel II recovery studies
Foreign deposits	587,033,878,253	S&P default studies	Basel II recovery studies
Local commercial banks	1,143,401,411	CAMEL methodology	Basel II recovery studies

No	List of Active Depository Banks	Type of Institution	Credit Ratings as of 30 June 2025		
			Fitch	S&P	Moody's
1	Commercial Bank of Ethiopia	Commercial Bank	NR	NR	NR

ii.) Market risk

'Market risk' is the risk that changes in market prices – e.g. interest rates, equity prices, foreign exchange rates and credit spreads – will affect the Bank's income or the value of its holdings of financial instruments. The objective of the Bank's market risk management is to manage and control market risk exposures within acceptable parameters to ensure the Bank's solvency while optimizing the return on risk.

Market risks arise from open positions in interest rate, currency and equity prices, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as interest rates, foreign exchange rates and equity prices.

Equity price risk

Equity price risk refers to the potential loss in fair value resulting from adverse changes in the fair value of stocks that the Bank has invested in. Equity price risk is subject to regular monitoring but is not currently significant in relation to the Bank's overall results and financial position.

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28. Financial risk review (continued)

a.) Financial risks (continued)

ii.) Market risk (continued)

Interest rate risk

Interest rate risk is the exposure of the Bank's financial assets and liabilities to adverse movements in interest rates. If unexpected changes arise in interest rates, there is a possibility of loss due to sensitivity of the Bank's assets and liabilities to rate variability.

The main source of the Bank's interest rate risk is re-pricing risk. Bank's interest-bearing assets and liabilities may be re-priced at different times and rates. The Bank's foreign currency reserve may be exposed to foreign currency interest rate risk when the adjustment of the rates earned and paid on different instruments are re-priced. When interest rates change, these differences can change the cash flows and spread between foreign assets and foreign liabilities of similar maturities or re-pricing frequencies.

The Bank measures its interest rate exposure using a maturity/re-pricing schedule that distributes interest-sensitive assets and liabilities into "time-bands" according to their maturity or time remaining to their next re-pricing. The size of the gap for a given time band (assets less liabilities that re-price or mature within that time band) gives an indication of the Bank's re-pricing risk exposure.

The Interest rate risk is managed principally through monitoring interest rate gaps and by having pre-approved limits for interest rate fluctuations. The Foreign Exchange Monitoring and Reserve Management (FEMRMD) Directorate is the monitoring body for compliance within these limits. These day-to-day activities include monitoring changes in the Bank's interest rate exposures, which include the impact of the Bank's outstanding or forecast debt obligations.



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28. Financial risk review (continued)

a.) Financial risks (continued)

ii.) Market risk (continued)

Interest rate risk (continued)

The following is a summary of the Bank's interest rate risk gap position on financial instruments. The interest rate re-pricing gap table analyses the full-term structure of interest rate mismatches within the Bank's balance sheet based on either (i) the next re-pricing date or the maturity date if floating rate or (ii) the maturity date if fixed rate.

30 June 2025	1 – 3 months ETB	3 – 12 months ETB	1 - 5 years ETB	Over 5 years ETB	Non-interest- bearing ETB	Total ETB
Financial assets						
Due from Government of Ethiopia		4,289,587,811	296,865,247,497	430,797,185,006	3,747,719,547	735,699,739,861
Loans to government banks		2,070,306,198	-	111,490,514,397	-	113,560,820,596
Loans to private commercial banks		1,101,152,729	-	-	-	1,101,152,729
Due from foreign institutions - commercial Banks	80,515,114,013	45,819,482,691	-	-	-	126,334,596,704
Due from foreign institutions - central Banks	450,016,641,775	6,863,556,422				456,880,198,197
Funds held with IMF		-	3,696,567,731	-	-	3,696,567,731
Other assets – Uncleared effects		-			5,494,160	5,494,160
Other assets - Loans to employees		177,060,154	-	-	-	177,060,154
Other assets - Staff advances		8,436,953	-	-	-	8,436,953
Total financial assets	530,531,755,788	60,329,582,958	300,561,815,228	542,287,699,403	3,753,213,707	1,437,464,067,084
Financial liabilities						
Deposits from banks & government	-	(88,787,640,603)	-	-	(660,590,198,789)	(749,377,839,392)
Due to International Monetary Fund (IMF)	-	(7,884,083,393)	(29,796,848,843)	(356,495,157,252)		(394,176,089,488)
Funds due to international financial institutions	-	(34,939,120)	-	-	-	(34,939,120)
Due to other institutions	-	(11,141,228,833)	(541,471,600,000)	-	-	(552,612,828,833)
Total financial liabilities	-	(107,847,891,949)	(571,268,448,843)	(356,495,157,252)	(660,590,198,789)	(1,696,201,696,833)
Interest rate risk sensitivity gap	530,531,755,788	(47,518,308,992)	(270,706,633,615)	185,792,542,151	(656,836,985,082)	(258,737,629,749)

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28. Financial risk review (continued)

a.) Financial risks (continued)

ii.) Market risk (continued)

Interest rate risk (continued)

30 June 2024	1 – 3 months ETB	3 – 12 months ETB	1 - 5 years ETB	Over 5 years ETB	Non-interest- bearing ETB	Total ETB
Financial assets						
Due from Government of Ethiopia	-	2,041,971,372	246,985,253,467	430,670,642,265	3,638,562,667	683,336,429,771
Loans to government banks	-	3,258,187,170	10,305,259,672	120,495,407,960		134,058,854,802
Loans to private commercial banks	-	13,209,468,542				13,209,468,542
Due from foreign institutions - commercial Banks	13,427,316,852	18,628,281,614	-	-	-	32,055,598,466
Due from foreign institutions - central Banks	44,553,278,153	2,930,459,469	-	-	-	47,483,737,622
Funds held with IMF	-	-	176,870,099	-		176,870,099
Other assets - Uncleared effects	-				6,753,807	6,753,807
Other assets - Loans to employees	-	159,726,289				159,726,289
Other assets - Staff advances	-	4,919,826				4,919,826
Total financial assets	57,980,595,005	40,233,014,282	257,467,383,238	551,166,050,225	3,645,316,474	910,492,359,224
Financial liabilities						
Deposits from banks & government	-	42,867,358,352	-	-	309,441,475,345	352,308,833,697
Due to International Monetary Fund (IMF)	-	81,338,275,471				81,338,275,471
Funds due to international financial institutions	-	35,839,398			-	35,839,398
Due to other institutions	-	2,393,543,070	190,123,560,000	40,329,240,000	-	232,846,343,070
Total financial liabilities	-	126,635,016,291	190,123,560,000	40,329,240,000	309,441,475,345	666,529,291,636
Interest rate risk sensitivity gap	57,980,595,005	(86,402,002,009)	67,343,823,238	510,836,810,225	(305,796,158,871)	243,963,067,588

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28. Financial risk review (continued)

a.) Financial risks (continued)

ii.) Market risk (continued)

Interest rate risk sensitivity analysis

The Bank takes on exposure to the effects of fluctuations in the prevailing levels of market interest rates on both its fair value and cash flow risks. Interest margins may increase or decrease as a result of such changes which may cause either an increase or decrease in profit or loss. The impact on financial assets and liabilities of an increase or decrease in interest rates by 0.5 percent would be as follows:

30 June 2025	Effect on Profit/Loss		Effect on Equity	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Financial Instruments				
Financial assets				
Loans to employees	938,774	(938,774)	938,774	(938,774)
Due from Government of Ethiopia	3,397,050,164	(3,397,050,164)	3,397,050,164	(3,397,050,164)
Loans to government institutions	570,801,984	(570,801,984)	570,801,984	(570,801,984)
Due from foreign institutions - central Banks	2,302,883,830	(2,302,883,830)	2,302,883,830	(2,302,883,830)
Loans to private commercial banks	5,717,007	(5,717,007)	5,717,007	(5,717,007)
Due from foreign institutions - commercial Banks	632,285,562	(632,285,562)	632,285,562	(632,285,562)
Total assets (ETB)	6,909,677,321	(6,909,677,321)	6,909,677,321	(6,909,677,321)
Financial liabilities				
Due to local financial institutions, Government and governmental agencies	(443,938,203)	443,938,203	(443,938,203)	443,938,203
Due to other institutions	(2,763,064,144)	2,763,064,144	(2,763,064,144)	2,763,064,144
Total liabilities (ETB)	(3,207,002,347)	3,207,002,347	(3,207,002,347)	3,207,002,347
Net interest (increase)/ decrease	3,702,674,974	(3,702,674,974)	3,702,674,974	(3,702,674,974)
Impact on profits	3,702,674,974	(3,702,674,974)	3,702,674,974	(3,702,674,974)

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28. Financial risk review (continued)

a.) Financial risks (continued)

ii.) Market risk (continued)

Interest rate risk sensitivity analysis (continued)

30 June 2024

Financial Instruments

Financial assets

Loans to employees

Due from Government of Ethiopia

Loans to government institutions

Due from foreign institutions - central Banks

Loans to private commercial banks

Due from foreign institutions - commercial

Banks

Total assets (ETB)

Financial liabilities

Due to local financial institutions, Government
and governmental agencies

Due to other institutions

Total liabilities (ETB)

Net interest (increase)/ decrease

Impact on profits

	Effect on Profit/Loss		Effect on Equity	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Loans to employees	844,474	(844,474)	844,474	(844,474)
Due from Government of Ethiopia	3,385,812,082	(3,385,812,082)	3,385,812,082	(3,385,812,082)
Loans to government institutions	674,767,976	(674,767,976)	674,767,976	(674,767,976)
Due from foreign institutions - central Banks	238,303,039	(238,303,038)	238,303,039	(238,303,038)
Loans to private commercial banks	66,050,645	(66,050,645)	66,050,645	(66,050,645)
Due from foreign institutions - commercial Banks	160,307,314	(160,307,314)	160,307,314	(160,307,314)
Total assets (ETB)	4,526,085,530	(4,526,085,530)	4,526,085,530	(4,526,085,530)
Financial liabilities				
Due to local financial institutions, Government and governmental agencies	(214,336,792)	214,336,792	(214,336,792)	214,336,792
Due to other institutions	(1,164,231,715)	1,164,231,715	(1,164,231,715)	1,164,231,715
Total liabilities (ETB)	(1,378,568,507)	1,378,568,507	(1,378,568,507)	1,378,568,507
Net interest (increase)/ decrease	3,147,517,023	(3,147,517,023)	3,147,517,023	(3,147,517,023)
Impact on profits	3,147,517,023	(3,147,517,023)	3,147,517,023	(3,147,517,023)



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28. Financial risk review (continued)

a.) Financial risks (continued)

ii.) Market risk (continued)

Foreign Exchange rate risk

Foreign exchange rate fluctuation risk is the risk of adverse movements in exchange rates that will result in a decrease in value of foreign exchange assets or an increase in the value of foreign currency liabilities. Foreign exchange fluctuations expose the Bank to changes in the amounts of foreign assets and liabilities held by the Bank. The Bank measures its foreign exchange risk using a single foreign currency open position based on balance sheet amounts in spot markets. It is a risk of volatility due to a mismatch and adverse exchange rate movements during a period in which it has an open balance sheet position in an individual foreign currency.

The mid-exchange rate of major currencies against the Ethiopian Birr at each year end was as follows;

Currency	30 June 2025	30 June 2024
US dollar (USD)	135.37	57.61
Great Britain Pound (GBP)	186.61	72.83
EURO	159.25	61.62
Special drawing rights (SDR)	186.77	75.33
Ounce of Gold (XAU)	446,912.10	133,560.49
Norwegian Krone (NOK)	13.50	5.40
Japanese Yen (JPY)	0.94	0.36



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28. Financial risk review (continued)

a.) Financial risks (continued)

ii.) Market risk (continued)

Foreign Exchange risk (continued)

The table below summarizes the Bank's exposure to foreign currency exchange rate risk as at 30 June 2025. Included in the table are the Bank's financial instruments categorized by currency:

	USD	GBP	EUR	SDR	XAU	NOK	JYP	Others	Total
	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB
At 30 June 2025									
Assets									
Due from foreign institutions - commercial Banks	118,866,626,110	5,671,031,848	1,663,439,243	-	-	-	256,015,125	-	126,457,112,326
Due from foreign institutions - central Banks	446,370,471,631	5,606,045,277	440,932,946	-	-	-	-	4,462,748,343	456,880,198,197
Funds held with IMF	-	-	-	3,696,567,731	-	-	-	-	3,696,567,731
Cash on hand -Foreign currencies	5,903,717,242	294,964,021	2,396,986,372	-	-	25,645,250	-	260,481,811	8,881,794,696
Total financial assets	571,140,814,983	11,572,041,146	4,501,358,561	3,696,567,731	-	25,645,250	256,015,125	4,723,230,154	595,915,672,950
Liabilities									
Deposits from banks and government	197,610,873,858	59,610,364	20,898,317,957	-	-	40,525,197	-	6,646,268	218,615,973,644
Due to International Monetary Fund (IMF)	-	-	-	329,908,213,969	-	-	-	-	329,908,213,969
Due to other institutions	552,612,828,833	-	-	-	-	-	-	-	552,612,828,833
Total financial liabilities	750,223,702,691	59,610,364	20,898,317,957	329,908,213,969	-	40,525,197	-	6,646,268	1,101,137,016,446
Net position	(179,082,887,708)	11,512,430,782	(16,396,959,396)	(326,211,646,238)	-	(14,879,947)	256,015,125	4,716,583,886	(505,343,859,118)

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28. Financial risk review (continued)

a.) Financial risks (continued)

ii.) Market risk (continued)

Foreign Exchange risk (continued)

	USD	GBP	EUR	SDR	XAU	NOK	JYP	Others	Total
	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB
At 30 June 2024									
Assets									
Due from foreign institutions - commercial Banks	30,597,096,594	819,760,852	550,701,366	-	1,068	217,986	84,141,371	9,543,655	32,061,462,892
Due from foreign institutions - central Banks	47,436,592,381		46,391,587	-	-	-	-	753,654	47,483,737,622
Funds held with IMF	-	-	-	176,870,099	-	-	-	-	176,870,099
Cash on hand -Foreign currencies	458,923,764	59,737,459	57,028,875	-	-	10,268,550	-	126,672,658	712,631,306
Total financial assets	78,492,612,739	879,498,311	654,121,828	176,870,099	1,068	10,486,536	84,141,371	136,969,967	80,434,701,919
Liabilities									
Deposits from banks and government	(88,534,785,393)	(11,669,531)	(4,747,616,201)	-	-	(18,919,866)	-	56,740	(93,313,047,731)
Due to International Monetary Fund (IMF)	-	-	-	(41,780,171,445)	-	-	-	-	(41,780,171,445)
Due to other institutions	(232,588,644,018)	-	(246,490,667)	-	-	-	-	(11,208,385)	(232,846,343,070)
Total financial liabilities	(321,123,429,411)	(11,669,531)	(4,994,106,868)	(41,780,171,445)	-	(18,919,866)	-	(11,265,126)	(367,939,562,247)
Net position	(242,630,816,672)	867,828,780	(4,339,985,040)	(41,603,301,346)	1,068	(8,433,330)	84,141,371	125,704,841	(287,510,724,754)

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28. Financial risk review (continued)

a.) Financial risks (continued)

ii.) Market risk (continued)

The table below shows the result of a sensitivity analysis demonstrating the effect of the ETB weakening/strengthening by 10% against all the major currencies with all other variables held constant on the profit or loss and equity. A negative amount in the table reflects a potential net reduction in profit or loss and equity while a positive amount reflects a net potential increase. An equivalent decrease in each of the currencies below against the ETB would have resulted in an equivalent but opposite impact:

Financial Instruments	Effect on Profit/Loss		Effect on Equity	
	10% increase (Weakening)	10% decrease (Strengthening)	10% increase (Weakening)	10% decrease (Strengthening)
30 June 2025				
Financial assets	59,157,347,686	(59,157,347,685)	59,157,347,686	(59,157,347,685)
Financial liabilities	(110,113,701,643)	110,113,701,643	(110,113,701,643)	110,113,701,643
Net Impact (ETB)	(50,956,353,957)	50,956,353,958	(50,956,353,957)	50,956,353,958

Financial Instruments	Effect on Profit/Loss		Effect on Equity	
	10% increase (Weakening)	10% decrease (Strengthening)	10% increase (Weakening)	10% decrease (Strengthening)
30 June 2024				
Financial assets	8,030,336,775	(8,030,336,775)	8,030,336,775	(8,030,336,775)
Financial liabilities	(13,546,914,435)	13,546,914,435	(13,546,914,435)	13,546,914,435
Net Impact (ETB)	(5,516,577,660)	5,516,577,660	(5,516,577,660)	5,516,577,660

Gold commodity price risk

Gold commodity price risk is the risk that gold commodity prices will change adversely. It refers to uncertainties of future market values and size of the future income, caused by fluctuations in the prices of gold commodities. The Bank as part of its operations is responsible for purchase and sale of gold commodities. Gold by nature is subject to price fluctuation risk. The average gold per ounce for the last 1 year and the effect of a 10% change in the same on profit/loss and equity are shown below:

Period	Average price of gold/Ounce ETB	Effect on Profit/Loss		Effect on Equity	
		10% increase	10% decrease	10% increase	10% decrease
30 June 2025	446,912.10	44,691	(44,691)	44,691	(44,691)
30 June 2024	133,560.49	10,431	(10,431)	10,431	(10,431)

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28. Financial risk review (continued)

b.) Liquidity risk

Liquidity risk is the risk of encountering difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset in a timely manner at reasonable prices. Some liabilities in the Bank's books have no fixed maturity including Currency in circulation and Domestic currency deposits from banks, insurance companies and Government and governmental agencies.

Liquidity risk represents the potential loss to the Bank if it is unable to settle its financial obligations as they fall due and is represented through a maturity mismatch assessment between foreign exchange assets and liabilities.

This risk emanates from the nature of banking business, from the macro factors that are exogenous to the Bank, as well as from financing and operational policies that are internal to the Bank.

In Ethiopian Birr, there is no liquidity risk as the Bank is able to create Birr liquidity through its market operations.

For foreign currency, in addition to holding appropriate cash balances, the Bank manages liquidity through holding a portfolio of liquid foreign exchange reserves.

The Foreign Exchange Monitoring and Reserve Management Directorate (FEMRMD) monitors and reviews information on the Bank's liquidity developments and reports risk exposures and funding needs to the Executive Management on a regular basis. The FEMRMD mitigates its foreign currency liquidity risk by conducting detailed analysis of the maturities of foreign currency asset-liability gap size. The Bank sets limits, where appropriate, on liquidity metrics and employs monitoring and controlling of liquidity risk exposures for each maturity ladder.

The table below analyses the Bank's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.



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28. Financial risk review (continued)

b.) Liquidity risk (continued)

At 30 June 2025	Up to 12 months	1 - 5 years	Over 5 years	Total
Assets				
Due from Government of Ethiopia	4,289,587,811	300,612,967,044	430,797,185,006	735,699,739,861
Loans to government Banks	2,070,306,198	-	111,490,514,397	113,560,820,596
Loans to private commercial Banks	1,101,152,729	-	-	1,101,152,729
Due from foreign institutions - commercial Banks	126,334,596,704			126,334,596,704
Due from foreign institutions - central Banks	456,880,198,197			456,880,198,197
Funds held with IMF	-	3,696,567,731		3,696,567,731
Other assets - Loans to employees	177,060,154			177,060,154
Other assets - Staff advances	8,436,953			8,436,953
Total financial assets	590,861,338,746	304,309,534,775	542,287,699,403	1,437,458,572,924
Liabilities				
Deposits from local financial institutions, government and government institutions	(749,377,839,392)	-	-	(749,377,839,392)
Due to International Monetary Fund (IMF)	(7,884,083,393)	(29,796,848,843)	(356,495,157,252)	(394,176,089,488)
Funds due to international financial institutions	(34,939,120)	-	-	(34,939,120)
Due to other institutions	(11,141,228,833)	(541,471,600,000)	-	(552,612,828,833)
Due to the Ministry of Finance	-			-
Other liabilities	(1,630,332,106)			(1,630,332,106)
Total financial liabilities	(770,068,422,844)	(571,268,448,843)	(356,495,157,252)	(1,697,832,028,939)
Net maturity difference	(179,207,084,098)	(266,958,914,068)	185,792,542,151	(260,373,456,015)



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28. Financial risk review (continued)

b.) Liquidity risk (continued)

At 30 June 2024	Up to 12 months	1 - 5 years	Over 5 years	Total
Assets				
Due from Government of Ethiopia	2,041,971,372	250,623,816,134	430,670,642,265	683,336,429,772
Loans to government Banks	3,258,187,170	10,305,259,672	120,495,407,960	134,058,854,802
Loans to private commercial Banks	13,209,468,542	-	-	13,209,468,542
Due from foreign institutions - commercial Banks	32,055,598,466			32,055,598,466
Due from foreign institutions - central Banks	47,483,737,622			47,483,737,622
Funds held with IMF	-	176,870,099		176,870,099
Other assets - Loans to employees	159,726,289			159,726,289
Other assets - Staff advances	4,919,826			4,919,826
Total financial assets	98,213,609,287	261,105,945,905	551,166,050,225	910,485,605,417
Liabilities				
Deposits from local financial institutions, government and government institutions	(352,308,833,697)			(352,308,833,697)
Due to International Monetary Fund (IMF)	(81,338,275,471)			(81,338,275,471)
Funds due to international financial institutions	(35,839,398)			(35,839,398)
Due to other institutions	(2,393,543,070)	(190,123,560,000)	(40,329,240,000)	(232,846,343,070)
Due to the Ministry of Finance	-			-
Other liabilities	(23,367,552,387)			(23,367,552,387)
Total financial liabilities	(459,444,044,023)	(190,123,560,000)	(40,329,240,000)	(689,896,844,023)
Net maturity difference	(361,230,434,736)	70,982,385,905	510,836,810,225	220,588,761,394



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28. Financial risk review (continued)

c.) Non-financial risks

i.) Strategic risk

Strategic risk might arise from the deviation of monetary policy target, which may adversely affect the economy and the effectiveness of financial institutions in following set policies and directives, its monetary policy operations and supervisory activities and governance of financial institutions that determine stability of the financial sector.

The Bank manages its strategic risk by undertaking effective monetary policy which include; monitoring the country's exchange rate policy, conducting periodic economic studies, forecasting the balance of payments, money supply, prices and other relevant statistical indicators of the Ethiopian economy. These measures are useful in the analysis, formulation and determination of its monetary, saving and exchange policies.

Further, the Bank undertakes prudential onsite and offsite inspection and monitoring of the financial sector on a continuous basis that is aimed at ensuring the soundness of the country's financial system.

ii.) Operational risk

Operational risk is the financial and non-financial risk to the Bank that could result in financial loss, reputational damage or inability to achieve business objectives. This could arise from human errors, failure of internal processes, people and systems or from external events. Operational risks to the Bank includes: legal, security, business disruption, project management, human resource, IT systems and general business practices and fraud risks.

The Bank has made continuous efforts to minimize losses from operational risks by establishing effective internal control systems which prevent or detect all errors and situations which might cause losses through failure of people or processes. The work units of the Bank perform their activities based on their respective policies and procedures and take their own roles and responsibilities to manage operational risks emanating from their activities on their day to day business operations.

iii.) Cyber security risk

The Bank is exposed to cyber security risk. This is the inherent risk arising from technologies, processes and practices designed to protect the Bank's information assets, that is, computers, networks, programs and data from unauthorized access.



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28. Financial risk review (continued)

c.) Non-financial risks (continued)

iii.) Cyber security risk (continued)

The Bank performs an assessment of this risk at two different levels of management to identify the potential risk and manage proactively to ensure the Bank's information security is safeguarded. At strategic management level, creating security policies dealing with people issues and evaluating threats and risks. Tactical management level deals with how the security systems are developed and implemented to meet policy requirements.

iv.) Reputational risk

This is the risk associated with the real or perceived loss of credibility and effectiveness as a result of negative publicity arising from a failure to comply with applicable laws or in managing risks, lack of fulfillment of roles and objectives or other external events.

It can be viewed as secondary since the reputational damage is usually caused by a loss or failure in the following areas: strategic; finance or operational risk.

The Bank has the responsibility to stabilize the value of money, the soundness and efficiency of the financial system and the issue of currency (Bank notes and coins). All of these matters have direct impact on all citizens; therefore, how the Bank communicates to the public is of critical importance to maintaining its credibility and in the successful fulfillment of its responsibilities.

In managing reputational risk, the Bank communicates to the public by crafting a consistent message regarding its role and policies and ensures that this message is effectively communicated to the public.

v.) Custodial risk on statutory deposits

The Bank is a custodian of government bonds and securities that are pledged by insurance companies as statutory deposits pursuant to the provisions of insurance business proclamation No. 746/2012. The Bank has a responsibility to keep the bond certificates safe to avoid any financial losses. As at 30 June 2025, the Bank held in its custody government bonds and securities worth ETB 2,493,705,500. These securities are recorded as off-balance sheet items.

To mitigate the risk, the Bank records and keeps all copies of statutory deposits certificates in its custody in secure vaults.



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29. Fair value of financial instrument

a. Valuation models

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- *Level 1:* Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- *Level 2:* Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- *Level 3:* Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist.

Assumptions and inputs used in valuation techniques include benchmark interest rates, foreign currency exchange rates, equity and equity index prices.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date. The fair value of a liability reflects the effect of non-performance risk.

The following sets out the Bank's basis of establishing fair values of financial instruments:

Investment securities with observable market prices including equity securities are fair valued using that information. Investment securities that do not have observable market data are fair valued using discounted cash flow method or quoted market prices for securities with similar yield characteristics.

Loans and advances to government, government institutions and staff are net of allowance for impairment. The estimated fair value of the loans represents the discounted amount of future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value hence their fair values approximate their carrying amounts.

Estimated fair value of fixed interest-bearing deposits and bonds without quoted market prices is based on discounting cash flows using the prevailing market rates for debts with similar maturities and interest rates, hence their fair value approximates their carrying amounts.

During the year ended 30 June 2025, financial asset and liability indicated in the below table previously classified as Level 3 were transferred to Level 2. The transfer occurred because observable market interest rates and exchange rates became available, which replaced the previously unobservable inputs assumptions.



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29. Fair value of financial instruments (continued)

b. Accounting classifications

The table below shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for cash and cash equivalents, receivables and payables, whose carrying amounts are a reasonable approximation of fair value, or for lease liabilities. The tables below include both instruments measured at fair value and those that are not.

30 June 2025	Carrying amounts				Fair value			
	Amortised cost	FV – OCI	FVTPL	Total carrying amounts	Level 1	Level 2	Level 3	Total
	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB
Financial Instruments measured at fair value								
Financial assets								
Equity Investment and IMF quota	-	56,828,845,791		56,828,845,791	-	56,828,845,791		56,828,845,791
Financial Instruments not measured at fair value								
Financial Assets:								
Due from Government of Ethiopia	735,699,739,861			735,699,739,861	-		735,699,739,861	735,699,739,861
Loans to government banks	113,560,820,595			113,560,820,595	-		113,560,820,595	113,560,820,595
Loans to private commercial banks	1,101,152,729			1,101,152,729	-	1,101,152,729	-	1,101,152,729
Due from foreign institutions - commercial banks	126,334,596,704			126,334,596,704	-	126,334,596,704	-	126,334,596,704
Due from foreign institutions - central Banks	456,880,198,197			456,880,198,197	-	456,880,198,197	-	456,880,198,197
Funds held with IMF	3,696,567,731			3,696,567,731	-	3,696,567,731	-	3,696,567,731
Other assets - Loans to employees	177,060,154			177,060,154	-		177,060,154	177,060,154
Other assets - Staff advances	8,436,953			8,436,953	-		8,436,953	8,436,953
Total financial assets	1,437,458,572,924	56,828,845,791		1,494,287,418,715	-	644,841,361,152	849,446,057,563	1,494,287,418,715
Liabilities:								
Deposits from local financial institutions, government and government entities	749,377,839,392			749,377,839,392	-	44,090,410,959	705,287,428,433	749,377,839,392
Due to International Monetary Fund (IMF)	394,176,089,488			394,176,089,488		394,176,089,488	-	394,176,089,488
Funds due to international financial institution	34,939,120			34,939,120		34,939,120	-	34,939,120
Due to other institutions	552,612,828,833			552,612,828,833	-	552,612,828,833	-	552,612,828,833
Due to the Ministry of Finance	-			-	-	-	-	-
Total financial liabilities	1,696,201,696,833			1,696,201,696,833	-	990,914,268,400	705,287,428,433	1,696,201,696,833



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29. Fair value of financial instruments (continued)
b. Accounting classifications (continued)

30 June 2024	Carrying amounts				Fair value			
	Amortised cost	FV – OCI	FVTPL	Total carrying amounts	Level 1	Level 2	Level 3	Total
	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB
Financial Instruments measured at fair value								
Financial assets								
Equity Investment and IMF quota	-	23,687,211,629	-	23,687,211,629	-	23,687,211,629	-	23,687,211,629
Financial Instruments not measured at fair value								
Financial Assets:								
Due from Government of Ethiopia	683,336,429,771	-	-	683,336,429,771	-	-	683,336,429,771	683,336,429,771
Loans to government banks	134,058,854,802	-	-	134,058,854,802	-	-	134,058,854,802	134,058,854,802
Loans to private commercial banks	13,209,468,542	-	-	13,209,468,542	-	-	13,209,468,542	13,209,468,542
Due from foreign institutions – commercial banks	32,055,598,466	-	-	32,055,598,466	-	-	32,055,598,466	32,055,598,466
Due from foreign institutions – central Banks	47,483,737,622	-	-	47,483,737,622	-	-	47,483,737,622	47,483,737,622
Funds held with IMF	176,870,099	-	-	176,870,099	-	-	176,870,099	176,870,099
Other assets – Loans to employees	159,726,289	-	-	159,726,289	-	-	159,726,289	159,726,289
Other assets – Staff advances	4,919,826	-	-	4,919,826	-	-	4,919,826	4,919,826
Total financial assets	910,485,605,417	23,687,211,629	-	934,172,817,046	-	23,687,211,629	934,172,817,046	934,172,817,046
Liabilities:								
Deposits from local financial institutions, government and government entities	352,308,833,697	-	-	352,308,833,697	-	-	352,308,833,697	352,308,833,697
Due to International Monetary Fund (IMF)	81,338,275,471	-	-	81,338,275,471	-	-	81,338,275,471	81,338,275,471
Funds due to international financial institutions	35,839,398	-	-	35,839,398	-	-	35,839,398	35,839,398
Due to other institutions	232,846,343,070	-	-	232,846,343,070	-	-	232,846,343,070	232,846,343,070
Due to the Ministry of Finance	-	-	-	-	-	-	-	-
Total financial liabilities	666,529,291,636	-	-	666,529,291,636	-	-	666,529,291,636	666,529,291,636



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29. Fair value of financial instruments (continued)

c. Level 3 reconciliation

The following table shows reconciliation from the beginning balance to the ending balance for fair value measurements in level 3 of the fair value hierarchy.

30 June 2025	Due from Government of Ethiopia	Loans to government banks	Loans to private commercial banks	Due from foreign institutions - commercial banks	Due from foreign institutions - central Banks	Funds held with IMF	Other assets - Loans to employees	Other assets - Staff advances	Total financial assets
	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB
Financial Assets									
Balance as 1 July 2024	683,336,429,772	134,058,854,802	13,209,468,541	32,055,598,466	47,483,737,622	176,870,099	159,726,289	4,919,826	910,485,605,417
Total gains and losses in P&L	16,595,336,451	9,037,487,900	1,625,819,163	5,506,370,275	14,920,657,752	46,523,453	(869,329)	3,137,293	47,734,462,958
in OCI									
Amounts loaned out	49,330,121,854	-	1,048,070,103	88,865,688,348	394,475,802,823	3,473,174,179	18,203,194	379,834	537,211,440,339
Amounts repaid in advance									
Settlements	(15,715,956,436)	(29,535,522,107)	(14,782,205,082)	(93,060,385)	-	-	-	-	(60,126,744,010)
Conversions	2,153,808,220	-							2,153,808,220
Transfer in to level 3	-	-		-	-	-	-	-	-
Transfer out (to level 2)			(1,101,152,729)	(126,334,596,704)	(456,880,198,197)	(3,696,567,731)	-	-	(588,012,515,361)
Balance as at 30th June 2025	735,699,739,861	113,560,820,595	-	-	-	-	177,060,154	8,436,953	849,446,057,563

30 June 2025	Deposits from local financial institutions, government and government entities	Due to International Monetary Fund (IMF)	Funds due to international financial institutions	Due to other institutions	Due to the Ministry of Finance	Total financial liabilities
	ETB	ETB	ETB	ETB	ETB	ETB
Financial Liabilities						
Balance as 1 July 2024	352,308,833,698	81,338,275,471	35,839,397	232,846,343,070	-	666,529,291,636
Total gains and losses in P&L	1,419,439,771	6,123,855,918	-	16,906,809,072	-	24,450,104,761
in OCI						
Issuances / inflows	397,070,381,498	312,837,814,017	-	320,024,184,816	-	1,029,932,380,331
Repayments / outflows	(1,420,815,575)	(6,123,855,918)	(900,277)	(17,164,508,125)	-	(24,710,079,895)
Conversions						
Transfer into level 3	-	-	-	-	-	-
Transfer out (to level 2)	(44,090,410,959)	-	-	-	-	(44,090,410,959)
Balance as at 30th June 2025	705,287,428,433	394,176,089,488	34,939,120	552,612,828,833	-	1,652,111,285,874



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29. Fair value of financial instruments (continued)

c. Level 3 reconciliation (continued)

30 June 2024	Due from Government of Ethiopia	Loans to government banks	Loans to private commercial banks	Due from foreign institutions - commercial banks	Due from foreign institutions - central Banks	Funds held with IMF	Other assets - Loans to employees	Other assets - Staff advances	Total financial assets
	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB	ETB
Financial Assets									
Balance as 1 July 2023	583,119,662,333	137,758,663,898	15,054,294,232	26,546,453,204	27,228,439,137	106,243,555	78,517,846	2,212,061	789,894,486,266
Total gains and losses in P&L	-	-	-	-	-	-	-	-	-
in OCI	11,511,674,310	9,108,556,842	2,756,291,538	1,938,790,657	1,980,700,993	12,810,070	240,732	(2,659,981)	27,306,405,161
Amounts loaned out	-	-	4,566,644,767	6,907,391,770	19,886,844,581	58,171,632	80,967,711	5,367,746	31,505,388,207
Amounts repaid in advance									
Settlements	(871,100,000)	(6,326,088,858)	(9,167,761,995)	(3,337,037,165)	(1,612,247,089)	(355,158)			(21,314,590,265)
Conversions	89,576,193,128	(6,482,277,080)							83,093,916,048
Transfer into level 3	-	-		-	-	-	-	-	
Balance as at 30th June 2024	683,336,429,771	134,058,854,802	13,209,468,542	32,055,598,466	47,483,737,622	176,870,099	159,726,289	4,919,826	910,485,605,417

30 June 2024	Deposits from local financial institutions, government and government entities	Due to International Monetary Fund (IMF)	Funds due to international financial institutions	Due to other institutions	Due to the Ministry of Finance	Total financial liabilities
	ETB	ETB	ETB	ETB	ETB	ETB
Financial Liabilities						
Balance as 1 July 2023	359,930,191,365	90,657,013,578	9,854,742	110,269,289,467	11,120,875,954	571,987,225,106
Total gains and losses in P&L	-	-	-	-	-	-
in OCI	974,918,084	1,630,337,782		6,667,709,384	-	9,272,965,250
Issuances / inflows	13,316,279	-	27,919,587	115,909,344,219	-	115,950,580,085
Repayments / outflows	(8,609,592,031)	(10,949,075,889)	(1,934,931)	-	-	(19,560,602,851)
Conversions						
Transfer into level 3	-		-	-	(11,120,875,954)	(11,120,875,954)
Transfer out (to level 2)						
Balance as at 30th June 2024	352,308,833,697	81,338,275,471	35,839,398	232,846,343,070	-	666,529,291,636



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29. Fair value of financial instruments (continued)

c. Level 3 reconciliation (continued)

Total gains or losses for the year in the above table are presented in the statement of profit or loss and the OCI as follows:

30 June 2025	Due from Government of Ethiopia	Loans to government banks	Loans to private commercial banks	Due from foreign institutions - commercial banks	Due from foreign institutions - central Banks	Funds held with IMF	Other assets - Loans to employees	Other assets - Staff advances	Total financial assets
	ETB		ETB	ETB	ETB	ETB	ETB	ETB	ETB
Financial Assets									
Total gains and losses recognised in the P&L:	16,595,336,451	9,037,487,900	1,625,819,163	5,506,370,275	14,920,657,752	46,523,453	(869,329)	3,137,293	47,734,462,958
Interest Income	15,918,921,533	8,742,323,778	1,667,407,339	5,623,021,470	14,920,657,752	46,523,453	-	-	46,918,855,325
Expected Credit Loss(ECL)	676,414,917	295,164,122	(41,588,176)	(116,651,195)	-	-	(869,329)	3,137,293	815,607,632
Net trading income from other financial instruments carried at fair value	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-
Total gains and losses recognised in the OCI:	-	-	-	-	-	-	-	-	-
Fair Value reserve (debt instruments) - net change in fair value	-	-	-	-	-	-	-	-	-
Fair Value reserve (equity instruments) - net change in fair value	-	-	-	-	-	-	-	-	-
Profit or loss - attributable to the change in unrealised gains and losses relating to assets held at the end of the year:	-	-	-	-	-	-	-	-	-
Net trading income	15,918,921,533	8,742,323,778	1,667,407,339	5,623,021,470	14,920,657,752	46,523,453	-	-	46,918,855,325



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29. Fair value of financial instruments (continued)

c. Level 3 reconciliation (continued)

30 June 2025	Deposits from local financial institutions, government and government entities	Due to International Monetary Fund (IMF)	Funds due to international financial institutions	Due to other institutions	Due to the Ministry of Finance	Total financial liabilities
	ETB	ETB	ETB	ETB	ETB	ETB
Financial Liabilities						
Total gains and losses recognised in the P&L:	1,419,439,771	6,123,855,918	-	16,906,809,072	-	24,450,104,761
Interest expense	1,419,439,771	6,123,855,918	-	16,906,809,072	-	24,450,104,761
Net gains/(losses) from other financial liabilities measured at fair value	-	-	-	-	-	-
Other Expense	-	-	-	-	-	-
Total gains and losses recognised in the OCI:	-	-	-	-	-	-
Fair Value reserve (debt instruments) - net change in fair value	-	-	-	-	-	-
Fair Value reserve (equity instruments) - net change in fair value	-	-	-	-	-	-
Profit or loss - attributable to the change in unrealised gains and losses relating to liabilities held at the end of the year:	-	-	-	-	-	-
Net gains/(losses) from trading activities	1,419,439,771	6,123,855,918	-	16,906,809,072	-	24,450,104,761



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29. Fair value of financial instruments (continued)

c. Level 3 reconciliation (continued)

30 June 2024	Due from Government of Ethiopia	Loans to government banks	Loans to private commercial banks	Due from foreign institutions - commercial banks	Due from foreign institutions - central Banks	Funds held with IMF	Other assets - Loans to employees	Other assets - Staff advances	Total financial assets
	ETB		ETB	ETB	ETB	ETB	ETB	ETB	ETB
Financial Assets									
Total gains and losses recognised in the P&L:	11,511,674,310	9,108,556,842	2,756,291,538	1,938,790,657	1,980,700,993	12,810,070	240,732	(2,659,981)	27,306,405,161
Interest Income	12,216,114,871	9,092,266,720	2,756,199,292	1,939,328,361	1,980,700,993	12,810,070	-	-	27,997,420,307
Expected Credit Loss(ECL)	(704,440,561)	16,290,122	92,246	(537,704)	-	-	240,732	(2,659,981)	(691,015,146)
Net trading income from other financial instruments carried at fair value	-	-	-	-	-	-	-	-	-
Other revenue	-	-	-	-	-	-	-	-	-
Total gains and losses recognised in the OCI:	-	-	-	-	-	-	-	-	-
Fair Value reserve (debt instruments) - net change in fair value	-	-	-	-	-	-	-	-	-
Fair Value reserve (equity instruments) - net change in fair value	-	-	-	-	-	-	-	-	-
Profit or loss - attributable to the change in unrealised gains and losses relating to assets held at the end of the year:	-	-	-	-	-	-	-	-	-
Net trading income	12,216,114,871	9,092,266,720	2,756,199,292	1,939,328,361	1,980,700,993	12,810,070	-	-	27,997,420,307

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29. Fair value of financial instruments (continued)

c. Level 3 reconciliation (continued)

30 June 2024	Deposits from local financial institutions, government and government entities	Due to International Monetary Fund (IMF)	Funds due to international financial institutions	Due to other institutions	Due to the Ministry of Finance	Total financial liabilities
	ETB	ETB	ETB	ETB	ETB	ETB
Financial Liabilities						
Total gains and losses recognised in the P&L:	974,918,084	1,630,337,782	-	6,667,709,384	-	9,272,965,249
Interest expense	974,918,084	1,630,337,782	-	6,667,709,384	-	9,272,965,249
Net gains/(losses) from other financial liabilities measured at fair value	-	-	-	-	-	-
Other Expense	-	-	-	-	-	-
Total gains and losses recognised in the OCI:	-	-	-	-	-	-
Fair Value reserve (debt instruments) - net change in fair value	-	-	-	-	-	-
Fair Value reserve (equity instruments) - net change in fair value	-	-	-	-	-	-
Profit or loss - attributable to the change in unrealised gains and losses relating to liabilities held at the end of the year:	-	-	-	-	-	-
Net gains/(losses) from trading activities	974,918,084	1,630,337,782	-	6,667,709,384	-	9,272,965,249



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30. Commitments

A commitment is an enforceable, legally binding agreement to make a payment in the future for the purchase of goods or services. These amounts are not recorded in the statement of financial position since the Bank has not yet received the goods or services from the suppliers. The amounts below are what the Bank has committed to pay as at 30 June 2025 based on current expected contract prices.

<i>Commitments</i>	<u>30 June 2025</u>	<u>30 June 2024</u>
Office and other equipment	7,304,124,656	23,413,338
Office and other consumables	-	-
Work in progress*	23,431,870,187	15,889,290,109
Professional consultancy services	451,090,763	266,899,543
Motor Vehicles	-	-
Total capital commitments	<u>31,187,085,606</u>	<u>16,179,602,990</u>

*The Work in progress comprises mostly the expected payment in contract price for the issue holding branches construction for currency distribution ongoing in different regional states and interior & for land scape design of NBE head office building.

These capital commitments will be funded from internal resources.

31. Events after the reporting period

At the date of finalisation of these financial statements, there was no material events occurred that require disclosure or adjustments to the financial statements.



STATISTICAL ANNEXES

Table 1: GDP By Economic Activity at Constant Prices

(In millions of Birr)

Sectors/Year	2009	2010	2011	2012	2013	2014	2015	2016	2017
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Agriculture, Hunting and Forestry	579,022.90	599,331.45	622,220.30	648,711.84	684,775.80	726,412.79	771,163.00	824,259.40	881,597.50
Crop	374,649.80	392,291.81	404,049.60	422,966.50	446,919.36	477,801.09	511,777.47	551,862.07	593,186.47
Animal Farming and Hunting	153,170.43	154,037.95	163,279.50	168,722.41	178,571.27	186,759.11	195,057.29	205,367.67	218,665.90
Forestry	51,202.67	53,001.69	54,891.10	57,022.93	59,285.17	61,852.59	64,328.25	67,029.66	69,745.13
Fishing	1,389.44	1,546.68	1,581.80	1,625.85	1,653.41	2,015.51	2,794.26	3,620.97	7,026.99
Mining and Quarrying	4,296.93	3,402.76	2,658.90	5,089.31	10,960.70	11,624.46	10,796.09	12,779.08	39,023.89
Manufacturing	111,249.64	117,410.68	127,986.70	137,601.52	144,618.85	151,583.94	162,125.66	175,745.94	193,907.58
Large and Medium Scale Manufacturing	73,528.19	77,966.48	87,691.90	96,268.62	102,266.16	108,223.88	117,266.06	129,228.37	145,456.82
Small Scale and Cottage Industries	37,721.46	39,444.20	40,294.70	41,332.90	42,352.69	43,360.05	44,859.60	46,517.57	48,450.76
Electricity and Water	11,552.49	11,928.97	14,115.40	15,136.39	16,522.31	17,593.58	19,826.26	23,400.20	29,390.11
Construction	286,749.58	331,691.44	381,443.80	419,077.98	446,721.67	468,435.77	501,490.45	546,459.79	594,749.36
Whole Sale and Retail Trade	215,351.04	241,936.26	268,037.00	285,293.09	303,204.72	327,259.96	352,241.84	379,833.41	408,799.73
Hotels and Restaurants	41,625.20	44,335.30	48,143.80	49,220.36	50,484.92	54,536.48	60,146.85	65,644.15	71,239.54
Transport and Communications	215,351.04	241,936.26	104,436.20	105,646.15	113,090.66	124,120.55	139,047.45	154,861.11	168,006.09
Financial Intermediation	41,625.20	44,335.30	57,368.60	65,274.31	71,158.13	78,636.16	86,092.88	91,275.56	98,463.62
Real Estate, Renting and Business Activities	70,005.18	74,364.29	79,942.00	87,510.16	95,299.71	103,829.90	113,274.22	123,259.28	134,421.70
Public Administration and Defense	70,488.49	76,754.11	83,662.00	85,612.22	89,770.08	93,768.28	97,515.89	102,314.63	108,394.60
Education	41,031.02	42,520.77	44,221.60	44,784.14	45,694.89	46,432.34	47,583.05	48,786.21	50,119.95
Health and Social Work	16,767.91	18,153.38	20,747.20	23,414.24	26,554.25	29,412.96	32,650.49	36,311.16	40,479.84
Other Community , Social & Personal Services	19,198.41	20,177.97	21,454.20	21,995.54	22,426.85	22,890.17	23,400.63	24,072.74	24,730.33
Private Households with Employed Persons	16,633.25	17,276.03	17,707.40	18,115.52	18,515.90	18,939.52	19,329.08	19,726.68	20,123.02
Total	1,613,519.95	1,739,254.94	1,895,726.70	2,014,108.60	2,141,452.85	2,277,492.37	2,439,478.10	2,632,350.29	2,870,473.83
Less : FISIM	17,038.32	19,763.61	21,037.40	24,520.85	27,214.54	28,829.54	29,556.68	28,397.35	28,221.48
Gross Value Added at Constant Basic Prices	1,596,481.63	1,719,491.33	1,874,689.30	1,989,587.75	2,114,238.31	2,248,662.83	2,409,921.42	2,603,952.94	2,842,252.35
Taxes on Products	120,645.59	114,575.16	112,468.20	119,592.35	113,931.83	98,085.18	91,585.74	87,978.83	112,722.02
GDP at Constant Market Prices	1,717,127.21	1,834,066.5	1,987,157.5	2,109,180.1	2,228,170.1	2,346,748.0	2,501,507.2	2,691,931.77	2,954,974.37

Source:MoPD

Table 2: Growth Rate of GDP By Economic Activity at Constant Prices (In percent)

Industry/Year	2010	2011	2012	2013	2014	2015	2016	2017
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Agriculture, Hunting and Forestry	3.51	3.80	4.26	5.55	6.08	6.16	6.89	6.96
Crop	4.71	3.00	4.68	5.66	6.91	7.11	7.83	7.49
Animal Farming and Hunting	0.57	6.00	3.33	5.84	4.59	4.44	5.29	6.48
Forestry	3.51	3.80	3.88	4.00	4.33	4.00	4.20	4.05
Fishing	11.32	2.30	2.79	1.69	21.90	38.64	29.59	94.06
Mining and Quarrying	- 20.81	- 21.90	91.41	115.37	6.06	- 7.13	18.37	205.37
Manufacturing	5.54	7.70	7.51	5.10	4.82	6.95	8.40	10.33
Large and Medium Scale Manufacturing	6.04	10.00	9.78	6.23	5.83	8.36	10.20	12.56
Small Scale and Cottage Industries	4.57	3.00	2.58	2.47	2.38	3.46	3.70	4.16
Electricity and Water	3.26	4.00	7.23	9.20	6.48	12.69	18.03	25.60
Construction	15.67	15.00	9.87	6.60	4.86	7.06	8.97	8.84
Whole Sale and Retail Trade	12.35	11.70	6.44	6.28	7.93	7.63	7.83	7.63
Hotels and Restaurants	6.51	9.00	2.24	2.57	8.03	10.29	9.14	8.52
Transport and Communications	6.43	21.00	1.16	7.05	9.75	12.03	11.37	8.49
Financial Intermediation	10.74	10.10	10.22	9.01	10.51	9.48	6.02	7.88
Real Estate, Renting and Business Activities	6.23	7.50	9.47	8.90	8.95	9.10	8.81	9.06
Public Administration and Defense	8.89	9.00	2.33	4.86	4.45	4.00	4.92	5.94
Education	3.63	4.00	1.79	2.03	1.61	2.48	2.53	2.73
Health and Social Work	8.26	14.30	12.85	13.41	10.77	11.01	11.21	11.48
Other Community , Social & Personal Services	5.10	6.30	2.52	1.96	2.07	2.23	2.87	2.73
Private Households with Employed Persons	3.86	2.50	2.30	2.21	2.29	2.06	2.06	2.01
Total	7.79	8.90	6.15	6.32	6.35	7.11	7.91	9.05
Less : FISIM	16.00	7.00	14.24	10.99	5.93	2.52	- 3.92	- 0.62
Gross Value Added at Constant Basic Prices	7.7	9.0	6.1	6.3	6.4	7.2	8.1	9.2
Taxes on Products	-5.0	-1.8	6.3	-4.7	-13.9	-6.6	-3.9	28.1
GDP at Constant Market Prices	6.81	8.35	6.1	5.6	5.3	6.6	7.61	9.77

Source: MoPD

Table 3: GDP by Economic Activity at Current Prices

(In million Birr)

Industry/Year	2011	2012	2013	2014	2015	2016	2017
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Agriculture, Hunting and Forestry	910,589.11	1,196,254.18	1,626,284.12	2,312,286.18	3,114,214.95	4,087,852.75	4,934,577.48
Crop	587,215.95	797,015.64	1,122,637.67	1,639,822.32	2,189,185.09	2,880,082.24	3,411,873.31
Animal Farming and Hunting	247,337.34	303,074.09	385,788.26	523,066.61	731,290.92	949,484.17	1,201,088.96
Forestry	76,035.82	96,164.45	117,858.19	149,397.24	193,738.95	258,286.34	321,615.22
Fishing	3,020.56	3,747.45	5,034.31	5,351.46	7,481.56	10,084.51	19,201.74
Mining and Quarrying	3,368.05	9,643.41	30,909.10	34,587.89	29,329.89	50,066.72	400,072.11
Manufacturing	150,530.54	178,972.31	199,934.05	261,122.85	390,709.00	517,803.50	634,337.60
Large and Medium Scale Manufacturing	104,723.05	125,757.60	141,915.10	185,656.49	285,203.06	381,197.58	475,252.56
Small Scale and Cottage Industries	45,807.49	53,214.71	58,018.95	75,466.36	105,505.94	136,605.92	159,085.04
Electricity and Water	18,726.40	23,826.92	30,434.89	34,860.63	53,134.88	64,312.82	103,063.41
Construction	495,283.11	567,201.36	687,236.89	1,068,150.23	1,662,566.43	2,355,789.17	3,053,299.50
Whole Sale and Retail Trade	360,656.28	444,506.05	554,457.83	801,596.42	1,129,865.30	1,604,889.03	1,960,042.54
Hotels and Restaurants	66,596.74	79,304.07	95,766.72	129,976.75	195,338.34	271,055.22	353,343.57
Transport and Communications	99,884.39	140,312.71	183,481.31	251,762.70	314,877.16	381,487.44	479,010.32
Financial Intermediation	85,044.07	102,994.45	122,893.68	180,666.70	238,373.15	331,181.67	476,025.09
Real Estate, Renting and Business Activities	106,157.21	154,804.23	228,594.81	404,030.59	715,651.69	1,032,988.62	1,252,520.02
Public Administration and Defense	103,262.31	120,235.73	159,154.93	188,988.20	260,507.28	307,963.95	387,604.89
Education	85,738.95	94,199.32	116,406.32	127,857.93	164,357.32	214,067.77	272,956.20
Health and Social Work	27,327.96	34,927.80	40,104.30	47,995.94	60,118.58	72,311.64	85,949.36
Other Community , Social & Personal Services	28,140.79	33,305.56	39,400.72	49,977.38	66,077.14	87,645.14	104,204.52
Private Households with Employed Persons	31,181.00	38,264.32	45,764.85	67,753.00	80,607.09	112,313.40	149,074.08
Total	2,575,507.46	3,222,499.87	4,165,858.83	5,966,964.86	8,483,209.75	11,501,813.35	14,665,282.43
Less : FISIM	31,884.31	39,104.02	46,801.87	67,289.54	79,436.05	102,399.80	146,663.14
Gross Value Added at Constant Basic Prices	2,543,623.15	3,183,395.85	4,119,056.96	5,899,675.32	8,403,773.70	11,399,413.54	14,518,619.29
Taxes on Products	152,599.59	191,351.09	221,967.26	257,339.91	319,343.08	385,147.91	575,799.74
GDP at Current Market Prices	2,696,222.7	3,374,746.9	4,341,024.2	6,157,015.23	8,723,116.78	11,784,561.45	15,094,419.03

Source: MoPD

Table 4: Growth Rates of GDP by Economic Activity at Current Prices (%)

Sectors/Year	2010	2011	2012	2013	2014	2015	2016	2017
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Agriculture, Hunting and Forestry	11.00	33.00	32.63	35.94	42.18	34.68	31.26	20.71
Crop	8.60	37.50	35.73	40.86	46.07	33.50	31.56	18.46
Animal Farming and Hunting	16.50	28.90	26.96	27.29	35.58	39.81	29.84	26.50
Forestry	11.60	16.20	26.47	22.60	26.76	29.68	33.32	24.52
Fishing	4.10	28.50	24.06	34.34	6.30	39.80	34.79	90.41
Mining and Quarrying	16.30	16.90	186.32	220.52	11.90	15.20	70.70	699.08
Manufacturing	13.10	17.40	18.89	11.71	30.60	49.63	32.53	22.51
Large and Medium Scale Manufacturing	13.40	20.20	20.09	12.85	30.82	53.62	33.66	24.67
Small Scale and Cottage Industries	12.40	3.00	16.17	9.03	30.07	39.81	29.48	16.46
Electricity and Water	9.60	20.70	27.24	27.70	14.54	52.42	21.04	60.25
Construction	50.90	9.30	14.52	21.16	55.43	55.65	41.70	29.61
Whole Sale and Retail Trade	22.40	32.40	23.25	24.70	44.57	40.95	42.04	22.13
Hotels and Restaurants	19.00	25.10	19.08	20.76	35.72	50.29	38.76	30.36
Transport and Communications	6.80	20.40	40.48	30.77	37.21	25.07	21.15	25.56
Financial Intermediation	33.90	22.60	12.19	19.32	47.01	31.94	38.93	43.74
Real Estate, Renting and Business Activities	12.40	33.40	45.83	47.67	76.75	77.13	44.34	21.25
Public Administration and Defense	17.10	9.10	16.44	32.37	18.74	37.84	18.22	25.86
Education	24.00	13.10	11.33	23.57	9.84	28.55	30.25	27.51
Health and Social Work	28.40	13.40	27.81	14.82	19.68	25.26	20.28	18.86
Other Community , Social & Personal Services	14.90	19.10	18.35	18.30	26.84	32.21	32.64	18.89
Private Households with Employed Persons	27.90	22.60	22.72	19.60	48.05	18.97	39.33	32.73
Total	21.40	23.30	25.27	29.29	43.23	42.17	35.58	27.50
Less : FISIM	42.20	22.00	13.79	19.69	43.78	18.05	28.91	43.23
Gross Value Added at Current Basic Prices	21.20	23.30	25.42	29.40	43.23	42.44	35.65	27.36
Taxes on Products	6.86	10.90	25.39	16.00	15.94	24.09	20.61	49.50
GDP at Current Market Prices	20.2	22.4	25.2	28.6	41.8	41.7	35.1	28.1

Source: MoPD

Table 5: Summary of External Public Debt

(In Millions of Birr)

	2017/18 (2010)	2018/19 (2011)	2019/20 (2012)	2020/21 (2013)	2021/22 (2014)	2022/23 (2015)	2023/24 (2016)	2024/25 (2017)
EXTERNAL DEBT								
Disbursed *	703,675.6	782,908.8	1,008,444.2	1,291,945.2	1,467,808.0	1,568,702.6	1,701,869.1	4,610,322.0
Undisbursed	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
DRAWINGS (gross)	92,796.0	79,206.1	106,602.6	56,470.0	58,019.6	86,578.5	84,836.1	454,762.1
REPAYMENTS (1)	-30,619.4	-40,234.6	-44,671.8	-51,481.4	-77,287.9	-68,140.4	-52,063.5	-109,591.5
DEBT SERVICING (2)	42,480.4	58,214.7	64,117.0	71,085.0	101,575.9	90,953.7	68,186.9	141,163.6
Principal	30,619.4	40,234.6	44,671.8	51,481.4	77,287.9	68,140.4	52,063.5	109,591.5
Interest (3)	11,861.0	17,980.1	19,445.1	19,603.6	24,288.1	22,813.3	16,123.4	31,572.1
DEBT SERVICE TO EXPORT OF GOODS RATIO	57.4	77.8	68.5	50.7	51.0	47.1	32.1	14.2
EXTERNAL DEBT TO GDP (%)**	32.0	29.1	29.9	29.8	23.8	18.0	14.4	30.5
EXPORT OF GOODS	74,044.8	74,807.7	93,641.5	140,326.9	199,196.9	193,112.5	212,581.9	995,862.9
GDP (Current Current Price)	2,200,120.6	2,690,751.4	3,374,746.9	4,341,024.2	6,157,015.2	8,723,116.8	11,784,561.4	15,094,419.0

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.

**Revised based on rebased GDP series

NB: USD to birr conversion is made by using annual average exchange rate.

Table 6: Balance of Payments

(In Millions of Birr)

G.C.	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
EFY	(2010)	(2011)	(2012)	(2013)	(2014)	(2015)	(2016)	(2017)
TRADE BALANCE	-324,244.9	-349,149.7	-341,436.0	-417,133.0	-681,230.3	-720,613.4	-835,130.5	-1,246,303.2
Export(f.o.b)	74,044.8	74,806.8	93,641.5	140,326.9	199,196.9	193,112.5	212,581.9	995,862.9
Coffee	21,905.1	21,436.5	26,824.8	35,480.3	69,485.0	71,409.4	80,069.0	317,956.4
Other Exports	52,139.7	53,370.3	66,816.7	104,846.6	129,711.9	121,703.1	132,512.9	677,906.5
Imports (c.i.f.)	-398,289.7	-423,956.5	-435,077.5	-557,459.9	-880,427.2	-913,725.9	-1,047,712.4	-2,242,166.1
Fuel	-60,553.0	-72,961.5	-65,445.6	-75,723.5	-168,062.8	-211,347.3	-201,952.9	-404,126.7
Other Imports	-337,736.7	-350,995.0	-369,632.0	-481,736.4	-712,364.4	-702,378.6	-845,759.6	-1,838,039.4
Net Services	-5,221.1	-15,833.5	-6,862.8	516.4	31,043.3	50,623.7	71,521.6	160,131.0
Travel	7,146.7	6,225.9	10,431.2	26,800.9	22,577.5	28,054.5	28,148.9	-29,580.3
Other Transportation	13,494.3	18,091.2	27,972.4	28,743.3	53,574.7	72,162.5	90,188.8	238,817.1
Government(n.i.e.)	5,641.9	7,935.0	1,878.4	6,314.9	9,019.8	11,089.2	7,070.4	43,160.2
Investment Income	-11,410.1	-16,925.9	-19,203.0	-22,380.5	-27,861.8	-23,923.3	-18,601.4	-20,567.6
Other Services	-20,094.0	-31,159.7	-27,942.0	-38,962.2	-26,266.8	-36,759.2	-35,285.0	-71,698.4
Net Goods & Services	-329,466.0	-364,983.2	-348,298.9	-416,616.7	-650,186.9	-669,989.7	-763,608.8	-1,086,172.2
Private Transfers (net)	158,601.1	167,629.9	162,534.4	238,717.8	345,119.1	362,745.1	347,587.3	839,576.8
Current Account Balance	-170,864.9	-197,353.3	-185,764.5	-177,898.8	-305,067.8	-307,244.6	-416,021.6	-246,595.5
Public Transfers (net)	32,678.7	58,540.8	47,797.8	53,408.5	55,185.2	58,256.0	69,192.8	212,075.5
Non Monetary Capital (net)	161,503.2	135,289.6	135,603.6	147,709.5	132,280.5	189,008.7	231,030.1	634,296.0
Public long-term (net)*	68,083.1	46,595.6	64,463.4	6,465.0	-22,774.0	13,692.7	27,127.0	232,195.2
Short-term	-3,792.1	4,099.0	-4,682.9	-13,081.3	-5,601.1	-7,339.7	-14,674.2	-76,531.1
FDI	97,212.3	84,595.0	75,823.1	154,325.7	160,655.6	182,655.7	218,577.2	478,631.9
Net errors and Omissions	-28,580.3	-22,894.2	-23,758.0	-11,564.6	13,189.8	19,908	40,364	-262,139
Overall Balance	-5,263.3	-26,417.1	-26,121.1	11,654.6	-104,412.3	-40,071.4	-75,434.2	337,637.4
Financing :	5,263.3	26,417.1	26,121.1	-11,654.6	104,412.3	40,071.4	75,434.2	-337,637.4
Monetary Authorities (Reseves), net	5,263.3	26,417.1	26,121.1	-11,654.6	104,412.3	40,071.4	75,434.2	-337,637.4
Arrears Change	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt Relief	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Cancellation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rescheduling	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

NB: USD to birr coversion is made by using annual average exchange rate.

Table 7: Value of Major Exports

Commodity	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	(2012)	(2013)	(2014)	(2015)	(2016)	(2017)
Coffee	27,044,310.5	36,367,828.0	70,175,272.0	71,425,122.0	80,334,996.8	326,093,806.2
Oilseeds	11,012,982.9	13,180,233.0	12,896,678.4	13,781,966.4	18,713,973.4	40,916,916.5
Leather and Leather products	2,208,391.3	1,425,336.1	1,609,850.6	1,315,467.5	1,109,860.8	2,094,773.5
Pulses	7,422,895.7	9,243,279.1	10,711,389.3	17,370,062.4	19,245,078.7	32,504,154.3
Meat Products	2,107,034.0	2,964,430.2	5,329,508.5	4,345,071.3	3,952,463.7	13,367,697.0
Fruits & Vegetables	1,834,795.4	2,730,982.1	4,272,817.6	4,921,869.7	3,634,417.8	9,101,126.2
Wheat				1,701,716.9	1,931,028.3	-
Sugar	45,089.5	7,832.9	614.7	15,127.5	-	-
Gold	6,572,639.3	25,378,419.0	26,464,048.5	10,491,436.8	22,939,880.7	437,033,047.5
Oil Cakes	-	-	-	-	-	-
Live Animals	1,671,076.6	1,758,839.4	1,437,406.1	931,096.6	2,439,267.3	13,907,831.7
Chat	10,116,170.9	15,808,881.6	18,910,324.2	13,154,557.3	9,186,207.9	14,619,207.9
Petroleum Products	-	-	-	-	-	-
Bee's Wax	65,655.6	69,226.8	58,907.4	58,881.0	78,207.0	97,209.8
Tantalem	155,490.6	179,801.6	464,712.4	902,447.4	400,449.6	1,827,987.5
Cotton	8,218.7	-	-	-	-	-
Text. & Text. Prdts	5,235,336.0	5,725,100.5	8,529,908.7	7,911,617.6	6,718,196.9	14,237,574.0
Cereals and Flour	117,441.6	758,212.7	1,642,831.6	1,738,883.7	1,170,169.2	4,533,482.9
Natural Gum	157,838.7	137,246.6	107,704.1	55,155.3	141,890.9	302,359.4
Civet	-	-	-	-	-	-
Hop	-	-	-	-	-	-
Animal Fodder	-	-	-	-	-	-
Natural Honey	16,439.3	3,036.6	10,592.0	11,932.7	11,378.5	13,758.2
Marble	-	-	-	-	-	-
Flower	13,208,479.3	18,461,631.4	26,445,082.3	30,210,536.2	26,309,918.4	59,355,436.4
Beverage	111,398.5	191,924.6	223,891.9	270,324.6	207,914.3	387,258.7
Spices	432,708.0	620,629.5	807,366.2	559,747.4	449,071.1	1,838,726.7
Others	4,820,745.8	6,688,537.9	9,896,132.5	11,999,651.7	14,140,831.9	58,567,594.6
Others	24,264,096.5	32,766,121.4	48,128,221.7	53,660,296.8	49,549,820.6	141,064,178.4
RE-exports		-	-	-	-	-
Total	94,365,138.2	141,701,409.6	199,995,038.97	193,172,672.28	213,115,202.95	1,030,799,949.14

Source: Ethiopian Customs Commission

Table 8: Quantity of Major Exports

Commodity	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	(2012)	(2013)	(2014)	(2015)	(2016)	(2017)
Coffee	271,111.52	248,653.58	303,235.24	241,700.46	298,973.93	470,714.88
Oilseeds	236,504.53	245,479.33	172,139.72	150,286.63	191,172.23	207,554.13
Leather and Leather products	3,551.27	2,290.59	2,239.29	1,695.73	1,634.15	1,437.80
Pulses	354,010.48	280,603.44	213,873.61	396,224.76	425,986.37	320,934.48
Meat Products	12,819.96	14,631.78	19,012.08	11,527.96	11,064.75	18,511.37
Fruits & Vegetables	191,183.11	221,695.57	222,650.42	177,240.33	184,837.51	186,104.88
Wheat				62,478.90	61,380.00	-
Sugar	17,515.03	2,511.84	10.00	19.99	-	-
Gold	3.32	9.56	8.68	3.46	4.22	38.92
Oil Cakes	-	-	-	-	-	-
Live Animals	29,395.64	26,262.97	17,266.04	7,873.21	51,993.54	123,495.28
Chat	57,136.13	71,209.90	56,331.21	31,310.12	15,842.71	10,848.47
Petroleum Products	-	-	-	-	-	-
Bee's Wax	258.01	229.00	158.02	139.22	182.00	97.50
Tantalem	76.08	66.77	161.47	1,534.87	643.19	1,074.47
Cotton	80.00	-	-	-	-	-
Text. & Text. Prdts	22,798.39	24,045.62	35,234.52	31,382.08	30,808.02	30,597.92
Cereals and Flour	4,670.14	25,144.37	38,367.58	39,005.50	27,952.16	70,806.72
Natural Gum	1,384.59	769.68	472.71	308.66	741.04	584.97
Civet	-	-	-	-	-	-
Hop	-	-	-	-	-	-
Animal Fodder	-	-	-	-	-	-
Natural Honey	152.14	15.61	53.91	37.78	15.68	8.16
Marble	-	-	-	-	-	-
Flower	94,389.84	101,578.88	114,253.02	112,989.70	95,422.48	99,724.89
Beverage	4,430.26	5,310.98	5,439.07	4,502.34	3,602.80	3,091.09
Spices	12,499.67	12,823.23	8,667.63	6,429.37	8,841.78	15,612.53

Source: Ethiopian Customs Commission

Table 9: Value of Major Imports

(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.
2009/10	7,713,047.02	142,345.85	177,543.30	-	18,891,592.39	888,063.74	3,221,932.02	3,936,221.51	530,092.55	2,220,337.33	1,188,178.35
2010/11	3,966,148.96	167,353.94	230,682.29	-	22,299,883.74	1,118,884.43	5,665,268.99	5,054,381.20	685,948.71	2,515,039.17	1,137,791.11
2011/12	12,692,390.69	206,513.87	270,209.78	-	35,868,583.27	1,357,151.47	10,503,429.68	6,488,435.26	1,128,548.64	3,373,728.88	1,843,947.92
2012/13	11,635,649.89	261,690.71	193,100.93	-	26,565,254.55	2,092,401.97	5,332,244.36	7,169,252.70	907,441.55	4,030,338.06	2,064,095.36
2013/14	23,799,878.74	650,943.12	311,530.16	-	47,621,418.79	5,444,248.89	7,645,486.21	12,765,541.31	1,240,505.27	5,413,564.51	3,432,173.71
2014/15	30,357,772.78	741,100.66	361,694.04	-	39,838,008.67	5,978,499.34	10,163,376.17	13,831,267.94	1,491,621.66	5,027,502.88	3,272,982.54
2015/16	46,130,163.54	931,151.43	283,715.55	-	27,005,613.58	6,942,663.74	9,178,605.92	15,632,270.17	1,840,643.22	4,995,973.95	4,090,488.80
2016/17	36,937,089.98	1,021,284.47	335,255.18	-	39,143,280.38	7,049,394.35	8,357,496.40	16,839,378.49	1,881,778.89	5,675,630.76	4,563,314.64
2017/18	51,976,046.67	1,132,806.09	386,608.72	-	58,666,275.34	8,430,429.17	13,004,531.54	16,783,904.10	2,356,939.35	5,546,483.35	4,351,026.46
2018/19	47,707,850.56	911,322.26	538,741.77	-	69,942,602.90	10,157,083.75	14,224,839.93	25,225,831.44	2,534,964.25	6,046,906.00	5,517,578.23
2019/20	52,460,676.77	937,130.66	545,100.69	-	62,056,891.09	14,814,421.80	17,459,167.41	23,177,785.51	2,752,420.67	6,987,059.46	6,546,568.85
2020/21	115,413,573.05	1,025,315.80	226,741.79	-	72,597,463.88	15,834,849.44	23,105,655.46	28,787,491.34	3,547,951.99	7,116,241.75	4,414,867.50
2021/22	224,546,575.31	1,311,169.89	307,030.49	-	165,014,805.96	21,187,517.11	56,609,111.47	53,251,625.44	5,065,774.30	9,701,018.87	7,018,000.76
2022/23	169,395,504.08	1,401,201.80	387,024.13	-	203,796,295.02	25,763,429.62	48,809,160.87	42,049,276.36	5,018,930.04	10,245,932.92	10,989,264.83
2023/24	129,034,178.32	1,087,517.79	461,445.56	-	197,454,873.00	33,413,457.12	72,990,928.36	42,446,863.64	7,068,662.23	10,039,344.12	14,403,036.61
2024/25	257,050,773.35	1,210,217.83	421,000.91	-	395,221,191.88	56,841,694.88	130,893,620.55	98,483,288.30	11,547,377.28	21,173,188.21	22,804,751.84

Table 9 Continued:

Period	Textiles	Clothings	Glass & Glass Ware	Metal & Metal Manfc.	Machinery & Aircraft	Road Motor Vehicles	Electrical Materials	Grain*	Telecomm. Appara.	Others	GRAND TOTAL
2009/10	1,476,236.23	2,433,693.85	267,320.39	11,618,002.04	12,278,627.49	8,503,492.57	7,728,010.09	6,190,932.74	102,036.38	23,358,711.06	106,675,484.15
2010/11	1,982,717.20	2,430,230.93	334,931.95	10,778,367.33	16,015,251.53	13,180,602.99	7,195,551.18	2,739,632.49	73,257.53	38,806,941.81	133,639,235.00
2011/12	2,892,343.80	4,218,310.39	522,023.57	19,678,246.84	20,529,023.32	17,831,730.22	8,696,845.47	10,436,909.80	80,038.32	42,824,530.92	191,006,032.32
2012/13	2,744,223.83	4,449,521.68	722,828.43	21,688,479.54	28,035,376.81	20,493,273.26	11,912,688.51	9,865,215.47	96,583.36	58,096,033.86	208,490,479.34
2013/14	3,816,303.87	7,518,452.30	1,078,168.56	30,632,912.60	37,788,048.93	25,240,309.38	14,834,215.29	9,221,444.86	9,338,872.21	23,274,977.70	261,847,551.58
2014/15	5,281,382.03	9,232,020.04	1,294,893.17	46,295,278.51	49,814,950.03	28,117,142.85	31,139,945.38	12,922,543.23	20,942,618.89	27,756,897.12	330,938,954.68
2015/16	4,915,011.72	11,425,975.14	1,454,583.21	47,654,788.02	61,867,496.90	30,925,870.68	23,695,862.10	22,888,267.67	21,260,460.74	32,785,280.48	353,016,618.90
2016/17	5,025,821.08	11,811,265.30	1,633,228.46	42,438,362.32	68,598,136.64	33,248,531.13	26,617,502.74	13,359,345.30	13,839,892.51	29,254,491.18	354,271,134.89
2017/18	4,868,803.74	14,346,572.13	1,811,641.24	38,679,935.83	73,281,242.55	31,088,474.16	24,436,467.06	21,755,870.33	7,109,710.19	38,909,857.85	397,167,755.55
2018/19	5,864,104.33	10,255,807.51	2,023,486.66	41,701,871.02	84,119,269.68	22,066,396.54	24,750,276.07	18,579,014.14	6,831,056.63	43,128,439.93	423,548,429.47
2019/20	8,113,212.11	10,003,402.45	2,572,076.61	48,808,346.11	70,717,290.28	28,759,386.69	21,929,986.50	26,430,475.35	7,724,017.93	45,824,410.45	432,189,352.04
2020/21	12,306,287.08	13,663,674.57	2,130,339.33	47,843,331.12	79,822,335.65	37,111,884.27	28,337,123.39	47,304,681.63	15,471,996.05	50,584,021.65	559,341,145.10
2021/22	16,878,750.93	12,391,136.78	3,112,041.27	53,040,561.65	72,902,783.75	54,660,015.07	34,904,261.69	88,848,225.05	17,314,917.79	74,802,391.04	884,019,489.57
2022/23	21,772,350.63	16,034,677.64	3,134,407.09	55,240,874.97	90,556,225.04	61,480,686.52	39,665,730.82	56,057,123.76	24,639,007.98	82,603,707.88	912,983,688.23
2023/24	23,033,249.19	15,486,338.74	3,511,605.16	70,188,047.74	199,665,957.14	61,037,437.62	56,970,215.29	42,567,573.10	22,745,092.61	87,437,728.23	1,048,475,978.46
2024/25	46,605,637.34	25,449,321.45	7,589,307.11	157,293,670.26	490,264,526.49	156,107,012.25	135,658,307.78	91,369,082.89	52,744,470.43	180,586,856.60	2,247,946,214.73

* Included in "Food & Live Animals".

/1. Adjusted unrecorded import of Birr740.38 million.

/2. Adjusted unrecorded Aircraft imports of Birr510.0 million.

a: Petroleum product adjusted by the recent data from IBOD

Source: Ethiopian Customs Commission

Table 10: Volume of Major Imports

(in Metric Tones)

Period	Food & Live Animals	Beverages	Tobacco	Petroleum Crude	Petroleum Prod.	Chemicals	Fertilizers	Medical & Pharm. Prod	Soap & Polish	Rubber Prod.
2011/12	1,818,239.24	3,380.24	2,114.63	-	2,160,455.59	65,088.82	907,129.90	15,442.88	52,956.56	38,732.23
2012/13	1,105,099.75	13,902.55	7,115.52	7,384.23	1,506,402.75	92,926.13	402,556.61	23,612.49	162,562.45	32,775.30
2013/14	1,882,941.23	17,798.71	2,172.14	-	2,623,450.80	171,106.49	853,656.14	33,494.97	43,254.62	73,697.98
2014/15	2,544,223.69	20,303.34	2,391.25	-	2,822,058.40	160,620.80	959,073.54	19,896.86	53,489.65	57,317.22
2015/16	4,415,089.92	24,227.26	1,769.47	-	3,043,560.96	196,917.29	883,747.79	21,089.82	71,682.39	62,919.18
2016/17	2,893,063.99	37,609.31	2,264.38	-	3,439,289.84	169,680.40	1,046,640.69	28,611.30	69,403.10	71,797.88
2017/18	3,617,742.87	42,302.64	1,536.23	-	3,770,588.86	192,699.71	1,318,169.19	21,339.65	78,927.17	60,383.09
2018/19	3,165,738.53	19,639.61	2,743.04	-	3,889,608.34	211,596.46	1,196,526.03	41,876.75	89,174.29	74,450.97
2019/20	5,273,106.52	17,298.11	2,472.09	-	3,867,196.05	752,106.98	1,534,659.83	34,002.15	87,389.81	90,271.50
2020/21	7,335,018.53	20,078.32	914.92	-	3,719,623.14	198,621.45	1,576,103.85	27,892.17	88,963.61	66,709.16
2021/22	7,264,669.39	9,245.11	566.74	-	3,911,168.76	209,641.14	1,349,231.68	33,901.88	77,009.21	58,016.62
2022/23	4,119,561.76	16,162.11	654.49	-	3,940,881.71	232,089.47	1,104,807.65	33,763.12	70,619.49	71,773.43
2023/24	3,422,125.73	6,821.64	1,186.04	-	3,813,830.86	253,016.28	2,260,862.52	34,188.40	108,874.52	92,279.83
2024/25	3,096,733.49	4,715.81	564.74	-	3,471,242.56	180,399.52	1,336,883.38	48,957.39	74,105.44	55,761.22

Table 10: Continued:

Period	Manfc.	Textiles	Clothings	Ware	Manfc.	Aircraft	Road Motor Vehicles	Materials	Grain*	Appara.
2011/12	89,205.81	46,129.43	37,796.85	45,244.94	904,607.39	151,778.26	241,940.54	76,974.41	1,679,919.70	917.37
2012/13	94,055.25	41,858.84	36,103.13	56,403.71	992,746.36	207,980.64	177,514.16	89,945.74	1,252,139.28	1,102.41
2013/14	150,904.41	55,403.94	64,820.88	67,452.64	1,440,073.16	324,447.76	189,586.42	175,816.19	1,077,855.82	16,479.17
2014/15	112,785.26	76,284.14	137,743.01	83,071.22	1,661,613.15	277,489.69	206,335.39	236,986.12	1,564,475.70	33,652.85
2015/16	148,315.77	79,714.45	95,612.75	88,331.33	2,196,125.42	242,898.01	233,784.15	142,044.14	3,076,636.88	29,489.15
2016/17	160,185.90	96,517.46	86,110.24	102,413.37	1,834,801.71	262,051.28	411,234.20	140,016.24	1,662,204.75	19,288.19
2017/18	123,871.31	93,108.00	92,008.47	92,111.78	1,431,550.56	239,803.18	433,689.55	117,945.36	2,235,344.92	18,784.76
2018/19	137,169.81	136,851.21	78,766.06	97,019.80	1,713,951.65	221,542.56	159,677.56	129,826.52	1,778,046.17	18,416.58
2019/20	164,476.48	114,236.82	57,163.91	120,799.12	1,830,641.44	206,076.46	184,945.25	128,567.29	2,594,477.78	18,880.12
2020/21	162,243.11	128,174.59	53,033.67	67,489.01	1,607,506.72	182,434.03	169,163.34	108,962.84	3,635,178.14	45,886.42
2021/22	97,879.03	144,133.40	47,851.57	64,564.73	1,002,703.24	157,202.79	194,261.31	78,849.29	3,621,673.82	13,710.19
2022/23	319,401.62	165,067.69	53,832.35	76,578.35	2,312,006.48	200,008.20	221,320.05	101,039.35	1,826,134.19	17,674.51
2023/24	153,086.54	167,546.99	52,550.57	77,297.09	5,983,138.78	215,630.30	446,368.56	120,504.06	1,569,130.87	19,749.55
2024/25	92,753.47	151,852.47	38,164.15	71,974.68	1,274,220.07	225,339.12	210,061.40	130,791.51	1,593,917.35	13,889.51

* Included in "Food & Live Animals".

Source: Ethiopian Customs Commission

Table 11: Value of Imports, By End Use

particulars	(In Millions of Birr)							
	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	2010	2011	2012	2013	2014	2015	2016	2017
RAW MATERIALS	3,617.87	4,233.32	5,070.88	5,400.91	5,577.02	5,752.90	6,637.16	15,713.66
SEMI-FINISHED GOODS	65,669.07	78,124.87	97,796.04	105,406.69	184,980.29	173,829.41	212,881.92	415,291.01
Chemicals	8,910.53	10,868.22	16,743.30	18,890.76	24,699.48	27,517.04	34,935.51	60,948.97
Fertilizers	13,001.60	14,219.85	19,517.00	28,031.17	70,195.28	49,289.35	73,629.55	131,019.36
Textile Materials	1,589.57	2,276.95	3,485.51	5,359.73	9,507.58	10,364.29	9,306.84	23,117.84
Others	42,167.37	50,759.84	58,050.24	53,125.03	80,577.94	86,658.73	95,010.02	200,204.85
FUEL	61,066.24	72,941.90	64,685.48	76,625.78	169,859.55	211,126.40	201,790.89	403,097.59
Crude Petroleum	1.80	0.88	1.96	10.32	7.18	7.64	1.43	74.14
Petroleum Products	58,666.28	69,942.60	62,056.89	72,597.46	165,014.81	203,796.30	197,454.87	395,221.19
Others	2,398.17	2,998.41	2,626.62	4,017.99	4,837.57	7,322.46	4,334.59	7,802.26
CAPITAL GOODS	136,684.08	140,735.46	128,229.80	151,669.63	148,132.94	202,143.52	331,741.40	816,279.19
Transport	29,339.13	39,925.34	12,249.42	13,690.16	15,688.20	38,728.67	83,624.25	244,004.94
Tyres for Heavy Vehicle	2,628.97	3,172.78	4,191.33	4,299.83	4,394.44	4,354.59	4,863.21	10,852.98
Heavy Road Motor Vehicle	18,666.44	11,547.46	5,652.14	2,954.13	4,175.33	25,107.09	27,390.18	73,997.08
Aircraft	7,529.52	24,230.88	2,033.72	5,328.32	6,624.19	8,685.05	50,562.29	157,178.89
Others	514.20	974.22	372.22	1,107.88	494.24	581.94	808.57	1,975.98
Agricultural	1,343.02	1,639.92	2,745.65	3,422.46	2,678.25	4,987.84	3,610.81	15,453.16
Industrial	106,001.93	99,170.20	113,234.74	134,557.01	129,766.49	158,427.01	244,506.34	556,821.10
CONSUMER GOODS	122,572.11	119,742.43	124,714.69	213,380.89	368,192.64	314,095.72	287,886.18	582,805.16
Consumer Durables	35,022.62	33,680.58	28,525.81	31,313.80	39,701.10	77,073.09	78,256.11	172,099.65
Radio & Television	2,836.57	3,417.15	1,947.48	2,061.47	2,348.43	6,094.82	6,064.65	15,769.96
Tyres, Cars & Other Veh.	1,624.56	1,511.83	1,596.76	1,477.42	2,202.90	2,321.72	2,470.57	4,544.02
Cars & Other Vehicles	12,001.85	10,008.97	3,455.56	812.32	852.77	34,113.23	32,164.87	74,107.27
Others	18,559.64	18,742.63	21,526.01	26,962.59	34,296.99	34,543.31	37,556.02	77,678.40
Consumer Non- Durables	87,549.49	86,061.85	96,188.88	182,067.09	328,491.55	237,022.64	209,630.07	410,705.52
Cereals	20,043.62	16,734.20	26,055.01	53,253.48	105,138.02	55,245.36	38,073.55	84,428.20
Other Food	16,254.14	15,615.52	16,738.49	32,012.30	68,806.45	56,686.47	46,976.84	79,535.09
Medical & Pharmaceutical	14,814.52	21,134.62	21,356.68	26,642.51	38,536.00	36,071.23	35,434.77	78,297.37
Textile Fabrics	14,797.76	11,089.56	12,300.45	18,599.28	16,603.16	22,416.79	26,614.19	41,890.51
Others	21,639.45	21,487.95	19,738.25	51,559.52	99,407.91	66,602.79	62,530.71	126,554.34
MISCELLANEOUS	7,558.39	7,770.44	11,692.47	6,857.24	7,277.05	6,035.74	7,538.43	14,759.60
TOTAL IMPORTS	397167.7556	423548.4295	432189.352	559341.1451	884019.4896	912983.6882	1048475.978	2247946.215

Table 12: Value of Imports, By Country of Origin

Countries	(Thousands of Birr)							
	2017/18 2010	2018/19 2011	2019/20 2012	2020/21 2013	2021/22 2014	2022/23 2015	2023/24 2016	2024/25 2017
Djibouti	7,704.73	273,928.89	997,355.09	3,898,759.44	14,160,536.98	14,926,873.02	12,622,322.41	36,856,646.32
Kenya	916,790.30	1,159,662.20	2,597,499.75	2,096,354.09	4,711,514.12	5,186,335.92	5,262,171.83	7,452,831.08
Sudan	2,743,402.78	2,340,587.60	2,242,394.02	1,046,195.87	214,056.14	285,088.19	601,726.50	134,002.23
U.A.E	14,758,830.95	15,469,880.56	16,533,592.74	36,578,710.25	59,500,836.64	78,872,469.75	98,711,167.92	98,253,153.44
France	4,797,023.94	4,361,078.81	7,621,766.41	6,391,405.06	6,213,026.22	7,585,756.99	11,551,897.61	13,160,879.73
Germany	7,299,539.57	9,023,931.73	8,487,018.80	7,845,454.10	8,490,998.89	9,285,909.62	16,045,837.72	32,740,061.37
Italy	13,661,473.65	9,617,222.70	8,370,919.70	13,422,443.62	10,079,219.27	12,775,798.67	12,065,522.65	28,483,902.33
Netherlands	6,272,363.32	5,306,050.29	4,542,207.54	3,306,068.68	12,882,963.11	5,346,094.72	5,339,591.77	10,820,539.20
U.K.	6,032,370.33	9,132,231.06	9,297,234.54	11,231,795.73	6,524,137.98	12,037,277.14	30,704,284.87	41,975,724.75
Russia	2,495,514.33	3,423,319.87	2,177,821.35	4,533,019.95	6,077,940.29	1,758,068.23	10,785,884.14	55,584,272.80
Yugoslavia	0.00	-	-	-	-	-	-	-
U.S.A.	30,906,670.57	38,175,289.39	31,620,348.79	35,127,687.82	48,045,191.21	60,512,353.85	53,160,125.19	107,402,310.33
China, P. Rep.	113,206,651.53	110,849,316.71	119,683,399.12	147,248,592.75	197,994,871.04	243,325,082.74	312,550,256.66	755,707,444.60
Japan	15,680,920.50	10,526,671.22	14,669,468.58	13,051,036.52	14,971,552.10	15,867,403.41	17,795,153.99	33,397,115.60
Saudi Arabia	10,316,798.42	6,860,188.21	13,565,133.18	18,829,712.07	55,060,595.21	72,236,581.71	61,405,821.05	199,941,421.68
Rest of the World	168,071,700.63	198,462,661.32	193,378,047.28	254,733,909.15	439,092,050.38	372,982,594.26	399,874,214.14	826,035,909.28
Total Import	397167755.6	423548429.5	432189352	559341145.1	884019489.6	912983688.2	1048475978	2247946215

Source: Ethiopian Customs Commission

Table 13: Values of Export by Destination*

(In Thousand of Birr)

Countries	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
	2012	2013	2014	2015	2016	2017
Djibouti	3,702,736.38	4,497,508.42	7,134,466.75	8,051,547.09	7,795,067.85	18,423,016.73
Kenya	439,608.98	1,616,543.83	839,355.85	3,292,962.19	5,581,604.49	22,131,959.68
Sudan	2,168,104.20	3,168,442.13	3,966,853.42	4,351,639.74	4,220,278.89	3,509,857.38
U.A.E	3,936,157.32	7,145,156.74	9,434,519.67	10,634,159.31	12,329,884.03	41,226,755.71
France	890,052.65	2,181,537.62	1,930,292.02	1,886,179.67	2,238,826.28	6,225,444.64
Germany	5,026,821.22	5,745,974.74	13,556,631.77	10,822,944.68	9,303,696.81	56,545,202.34
Italy	1,401,024.67	2,839,821.38	3,960,106.10	3,713,587.66	4,288,136.04	15,127,234.59
Netherlands	9,670,552.91	10,695,072.67	18,873,683.49	21,196,275.42	18,529,862.05	42,928,302.51
U.K.	1,052,198.43	2,357,712.88	2,716,091.84	3,758,214.72	2,904,726.27	7,513,763.91
Russia	369,994.74	1,891,810.42	727,549.06	890,187.54	1,178,327.28	7,041,605.62
Yugoslavia	-	-	-	-	-	-
U.S.A.	5,031,320.40	8,495,485.57	17,573,400.57	16,893,169.12	15,467,328.44	47,469,791.54
China, P.Rep.	2,500,656.61	3,731,565.04	5,219,670.18	5,713,898.39	6,145,161.99	34,000,371.84
Japan	3,431,246.97	3,495,238.42	7,439,739.86	5,950,702.86	7,162,005.73	14,987,879.49
Saudi Arabia	6,349,911.15	7,463,486.06	13,653,789.93	17,402,426.71	19,971,587.27	59,599,175.25
Rest of the World	48,394,751.61	76,376,053.73	92,968,888.47	78,614,777.16	95,998,709.54	654,069,587.91
Total Export	94,365,138.28	141,701,409.65	199,995,038.97	193,172,672.28	213,115,202.95	1,030,799,949.14

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

Source: Ethiopian Customs Commission

Table 14: Trade Balance with Major Trading Partners

Trading Country	(InThousands of Birr)						
	2018/19 2011	2019/20 2012	2020/21 2013	2021/22 2014	2022/23 2015	2023/24 2016	2024/25 2017
Djibouti	3,298,408.48	2,705,381.30	598,748.98	7,026,070.24	6,875,325.92	4,827,254.56	18,433,629.60
Kenya	- 593,560.22	- 2,157,890.77	- 479,810.26	- 3,872,158.27	- 1,893,373.73	319,432.66	14,679,128.60
Sudan	- 394,648.25	- 74,289.82	2,122,246.26	3,752,797.29	4,066,551.55	3,618,552.38	3,375,855.16
U.A.E	- 11,809,572.12	- 12,597,435.41	- 29,433,553.51	- 50,066,316.97	- 68,238,310.44	- 86,381,283.89	- 57,026,397.73
France	- 3,804,640.80	- 6,731,713.76	- 4,209,867.44	- 4,282,734.21	- 5,699,577.32	- 9,313,071.33	- 6,935,435.09
Germany	- 5,905,967.79	- 3,460,197.58	- 2,099,479.36	5,065,632.88	1,537,035.06	6,742,140.92	23,805,140.97
Italy	- 8,421,683.44	- 6,969,895.03	- 10,582,622.25	- 6,119,113.17	- 9,062,211.01	- 7,777,386.60	- 13,356,667.73
Netherlands	537,352.03	5,128,345.37	7,389,003.99	5,990,720.39	15,850,180.71	13,190,270.29	32,107,763.31
U.K.	- 7,973,424.96	- 8,245,036.11	- 8,874,082.85	- 3,808,046.14	- 8,279,062.42	- 27,799,558.60	- 34,461,960.84
Russia	- 3,078,541.61	- 1,807,826.61	- 2,641,209.53	- 5,350,391.23	- 867,880.70	- 9,607,556.86	- 48,542,667.18
Yugoslavia	-	-	-	-	-	-	-
U.S.A.	- 32,867,097.44	- 26,589,028.39	- 26,632,202.25	- 30,471,790.64	- 43,619,184.73	- 37,692,796.75	- 59,932,518.79
China, P.Rep.	- 106,863,977.60	- 117,182,742.51	- 143,517,027.71	- 192,775,200.86	- 237,611,184.35	- 306,405,094.67	- 721,707,072.75
Japan	- 7,190,910.54	- 11,238,221.60	- 9,555,798.11	- 7,531,812.24	- 9,916,700.55	- 10,633,148.27	- 18,409,236.11
Saudi Arabia	- 1,837,360.11	- 7,215,222.03	- 11,366,226.01	- 41,406,805.28	- 54,834,155.00	- 41,434,233.78	- 140,342,246.43
Rest of the World	- 163,143,973.18	- 144,983,295.67	- 178,357,855.41	- 346,123,161.91	- 294,367,817.10	- 303,875,504.60	- 171,966,321.36
Overall Trade Balance	-348616006.5	-337824213.8	-417639735.5	-684024450.6	-719811016	-835360775.5	-1217146266

Source: Ethiopian Customs Commission

Annex 15 : Components of Broad Money

(In Millions of Birr)

End of period	Currency outside Banks	Net Demand Deposit	Narrow Money	Quasi-Money	Broad Money
	1	2	3=1+2	4	5=3+4
1999/00	5,914.30	7,136.00	13,050.30	9,127.50	22,177.80
2000/01	5,911.80	7,834.00	13,745.80	10,770.40	24,516.20
2001/02	5,461.92	8,690.60	14,152.52	12,139.54	26,292.06
2002/03	6,582.00	8,834.76	15,416.77	13,643.39	29,060.16
2003/04	7,843.89	10,192.12	18,036.01	15,589.96	33,625.97
2004/05	10,025.95	11,265.13	21,291.08	18,920.67	40,211.75
2005/06	11,422.91	12,388.96	23,811.87	22,565.51	46,377.38
2006/07	13,708.39	15,909.29	29,617.68	27,034.20	56,651.89
2007/08	17,654.10	17,696.26	35,350.36	32,831.78	68,182.14
2008/09	19,715.01	22,397.64	42,112.66	40,397.09	82,509.75
2009/10	24,206.80	28,227.84	52,434.63	51,997.77	104,432.40
2010/11	32,574.88	43,596.12	76,171.00	69,205.97	145,376.97
2011/12	38,537.14	56,312.74	94,849.88	94,548.90	189,398.78
2012/13	45,671.00	69,074.69	114,745.69	120,567.90	235,313.59
2013/14	53,161.44	80,887.76	134,049.20	163,682.81	297,732.01
2014/15	60,460.92	94,245.42	154,706.34	216,622.57	371,328.91
2015/16	66,686.17	111,923.49	178,609.66	266,656.59	445,266.25
2016/17	73,917.75	142,851.87	216,769.62	356,614.44	573,384.05
2017/18	86,417.30	194,737.36	281,154.66	459,418.22	740,572.88
2018/19	92,016.97	216,920.16	308,937.13	577,815.41	886,752.53
2019/20	109,071.81	251,513.70	360,585.50	677,060.82	1,037,646.33
2020/21	133,621.30	303,770.67	437,391.97	910,874.18	1,348,266.15
2021/22	173,382.78	414,633.04	588,015.82	1,127,294.21	1,715,310.03
2022/23	211,636.83	494,505.38	706,142.20	1,464,706.17	2,170,848.37
2023/24	205,441.29	617,057.27	822,498.57	1,655,417.63	2,477,916.20
2024/25	289,275.40	839,581.36	1,128,856.76	2,221,018.79	3,349,875.55

Source: National Bank of Ethiopia

Table 16: Domestic Credit by Sector

End of Period	Gross Grand Total	Claims on Central Gov't			(In Millions of Birr)					Priority sec. loan to DBE
		Total	National Bank	Comm. Banks	Claims on Non-Central Gov't					
					Total	Loans & Advances	Bills Disc.	Investments		
1=2+5	2=3+4	3	4	5=6to9	6*	7	8	9		
1998/99	23,942.70	13,053.80	10,562.20	2,491.60	10,888.90	10,883.20	-	5.70	-	
1999/00	31,283.70	19,423.40	16,533.10	2,890.30	11,860.30	11,852.14	-	8.16	-	
2000/01	34,035.10	21,357.40	14,342.50	7,014.90	12,677.70	12,667.58	-	10.12	-	
2001/02	28,098.96	15,985.10	8,986.68	6,998.42	12,113.86	12,082.39	-	31.47	-	
2002/03	28,689.43	17,229.76	9,387.57	7,842.18	11,459.67	11,417.07	-	42.60	-	
2003/04	31,652.96	19,199.16	9,389.23	9,809.93	12,453.80	12,245.09	-	208.71	-	
2004/05	40,873.53	21,673.85	19,539.97	2,133.88	19,199.68	15,927.02	-	3,272.66	-	
2005/06	49,298.60	25,266.35	19,095.75	6,170.60	24,032.25	19,431.14	-	4,601.11	-	
2006/07	61,846.88	30,337.64	24,855.58	5,482.06	31,509.23	23,493.75	-	8,015.48	-	
2007/08	78,475.08	33,075.66	35,405.76	2,330.10	45,399.42	33,600.61	-	11,798.81	-	
2008/09	89,205.89	32,786.50	37,827.20	5,040.70	56,419.39	38,802.03	-	17,617.36	-	
2009/10	104,416.17	33,013.08	39,340.32	6,327.24	71,403.09	47,603.55	-	23,799.53	-	
2010/11	135,558.56	28,651.65	45,323.71	16,672.05	106,906.91	61,871.31	-	38,785.60	6,250.00	
2011/12	189,122.06	21,557.41	45,344.08	23,786.67	167,564.65	94,617.04	-	60,445.61	12,502.00	
2012/13	233,406.35	21,965.52	55,377.34	33,411.82	211,440.83	114,384.58	-	80,549.25	16,507.00	
2013/14	299,729.65	26,630.78	64,211.94	37,581.17	273,098.87	141,975.83	-	110,866.04	20,257.00	
2014/15	393,439.76	30,735.25	77,076.80	46,341.55	362,704.51	185,501.92	-	153,845.59	23,357.00	
2015/16	490,230.38	47,524.36	95,038.07	47,513.71	442,706.02	226,849.25	-	190,249.77	25,607.00	
2016/17	631,092.76	85,441.85	120,891.04	35,449.19	545,650.92	283,835.16	-	234,589.76	27,226.00	
2017/18	784,621.75	102,002.83	140,206.86	38,204.03	682,618.92	346,302.91	-	289,023.30	47,292.71	
2018/19	963,699.94	109,799.21	172,171.40	62,372.19	853,900.73	443,362.21	-	358,395.82	52,142.71	
2019/20	1,302,948.27	137,082.91	195,710.99	58,628.07	1,165,865.36	588,391.22	-	519,331.43	58,142.71	
2020/21	1,659,218.41	214,275.16	245,019.19	30,744.03	1,444,943.25	778,613.16	-	609,687.39	56,642.71	
2021/22	2,195,732.48	422,864.02	326,216.31	96,647.71	1,772,868.46	996,662.17	-	731,383.58	44,822.71	
2022/23	2,711,304.05	573,675.72	521,299.99	52,375.73	2,137,628.33	1,293,479.26	-	799,326.36	44,822.71	
2023/24	3,134,751.57	745,541.09	632,253.09	113,288.00	2,389,210.48	1,480,244.34	-	867,643.43	41,322.71	
2024/25	4832345.631	1586725.925	630423.215	956302.71	3245619.706	1827443.081	-	1388053.915	30122.71	

* Includes Claims on Other Financial Institutions

Source: National Bank of Ethiopia

Table 17: Gold & Foreign Exchange Holdings of the National Bank of Ethiopia and Commercial Banks

(In Millions of Birr)

End of the year	Gross Gold and Foreign Exchange Holdings											
	Gross Total	National Bank of Ethiopia International Reserves				CBs' Foreign Exchange	Foreign Liabilities			Net Gold & Foreign Exchange		
		NBE Total	Gold	Foreign Exchange	Reserve Tranche		Total Liab.	Comm. Banks	NBE	Total	NBE	Comm. Banks
	1=2+6	2=3to5	3	4	5	6	7=8+9	8	9	10=11+12	11=2-9	12=6-8
2000/01	7,829.50	2,907.80	2.90	2,829.60	75.30	4,921.70	3,029.50	1,815.40	1,214.10	4,800.00	1,693.70	3,106.30
2001/02	11,470.69	5,743.59	2.89	5,660.00	80.70	5,727.10	3,648.28	1,703.30	1,944.99	7,822.40	3,798.60	4,023.80
2002/03	14,427.18	7,988.21	2.90	7,899.31	86.00	6,438.98	3,378.06	1,674.66	1,703.40	11,049.13	6,284.81	4,764.32
2003/04	17,449.79	11,307.29	2.49	11,213.25	91.56	6,142.50	4,451.95	1,889.52	2,562.43	12,997.84	8,744.86	4,252.98
2004/05	19,963.48	13,704.89	57.04	13,556.51	91.34	6,258.59	6,095.48	1,979.79	4,115.69	13,868.00	9,589.20	4,278.80
2005/06	16,759.04	10,071.69	89.21	9,889.65	92.83	6,687.35	4,649.48	1,735.83	2,913.65	12,109.56	7,158.05	4,951.51
2006/07	19,514.94	11,977.29	429.28	11,448.50	99.50	7,537.65	6,174.58	1,986.26	4,188.32	13,340.36	7,788.96	5,551.40
2007/08	16,735.51	8,708.66	5.47	8,589.23	113.96	8,026.85	5,069.87	2,301.87	2,768.01	11,665.63	5,940.65	5,724.98
2008/09	26,434.27	17,214.61	18.17	17,068.99	127.45	9,219.66	8,457.46	3,076.51	5,380.94	17,976.81	11,833.66	6,143.15
2009/10	42,350.09	27,289.34	443.30	26,700.34	145.70	15,060.75	15,160.31	3,254.28	11,906.03	27,189.78	15,383.31	11,806.47
2010/11	79,945.54	51,551.39	1,395.23	49,960.48	195.67	28,394.16	24,410.87	5,715.48	18,695.39	55,534.68	32,856.00	22,678.68
2011/12	64,119.02	40,101.45	2,038.08	37,868.05	195.32	24,017.57	26,738.54	5,484.21	21,254.33	37,380.48	18,847.12	18,533.36
2012/13	72,658.12	44,140.03	2,253.17	41,685.08	201.78	28,518.09	27,009.59	7,515.18	19,494.41	45,648.53	24,645.62	21,002.91
2013/14	77,877.97	50,624.47	1,217.59	49,188.46	218.41	27,253.50	31,905.67	7,995.09	23,910.57	45,972.30	26,713.89	19,258.41
2014/15	82,741.82	66,817.67	79.30	66,423.11	315.26	15,924.15	45,170.87	8,326.57	36,844.30	37,570.95	29,973.37	7,597.57
2015/16	95,054.96	74,156.73	1,113.92	72,711.31	331.50	20,898.24	73,530.80	9,880.50	63,650.30	21,524.16	10,506.42	11,017.74
2016/17	98,750.83	73,874.32	741.33	72,783.57	349.42	24,876.51	60,716.07	10,818.77	49,897.29	38,034.76	23,977.03	14,057.74
2017/18	102,738.91	77,617.37	750.54	76,448.42	418.41	25,121.54	63,362.74	14,504.75	48,857.99	39,376.17	28,759.38	10,616.79
2018/19	127,270.43	98,726.63	804.88	97,483.96	437.79	28,543.79	112,765.27	18,006.38	94,758.88	14,505.16	3,967.75	10,537.41
2019/20	150,483.56	115,367.05	3,280.63	111,560.99	525.42	35,116.52	155,524.24	24,578.24	130,945.99	- 5,040.67	- 15,578.95	10,538.27
2020/21	203,432.98	126,487.86	628.17	125,179.52	680.17	76,945.12	203,617.13	33,850.44	169,766.69	- 184.15	- 43,278.83	43,094.68
2021/22	145,816.65	81,884.95	2,065.31	79,062.50	757.13	63,931.70	255,178.88	41,140.56	214,038.32	- 109,362.23	- 132,153.37	22,791.14
2022/23	130,496.65	56,283.45	129.15	55,359.30	795.00	74,213.20	290,465.18	42,887.73	247,577.45	- 159,968.52	- 191,294.00	31,325.47
2023/24	171,889.65	82,379.41	220.11	81,342.50	816.80	89,510.24	416,943.63	45,876.47	371,067.16	- 245,053.98	- 288,687.76	43,633.78
2024/25	1062637.504	671855.8133	36648.357	633182.262	2025.1943	390781.691	1237613.478	132993.3637	1104620.114	-174975.9734	-432764.3007	257788.3273

Source: National Bank of Ethiopia (NBE)

Table 18: Treasury Bills Auction Results

Period	Amount Offered	Number of Bidders			Amount Demanded			Amount Sold			Annual Weighted Yield
		Bank	Non-bank	Total	Bank	Non-bank	Total	Bank	Non-bank	Total	
								Total			
2005/06	47,793.50	142	45.00	187.00	56,687.50	3,916	60,604	44,466	3,328	47,794	0.04
2006/07	69487.0	99	68.0	167.0	71259.0	7663.0	78922.0	58599.6	6715.4	65315.0	0.5
2007/08	48889.0	92	88.0	180.0	46761.0	13127.5	59888.5	35613.0	12103.5	47716.5	0.7
2008/09	28471.9	83	178.0	261.0	21974.5	24792.7	46767.2	2672.0	25167.8	27839.8	0.5
2009/10	55203.3	82	198.0	280.0	23386.9	27871.2	51258.1	13902.0	27834.5	41736.5	0.7
2010/11	83390.7	65	155.0	220.0	23715.3	32044.8	55760.0	20271.3	32044.8	52316.0	1.3
2011/12	96511.9	202.0	204.0	406.0	26712.7	50482.1	77194.8	24212.7	50482.1	74694.8	1.9
2012/13	107484.5	394.0	210.0	604.0	51493.5	62185.7	109184.5	51493.5	62185.7	109184.5	2.2
2013/14	88074.9	226.0	240.0	466.0	31226.0	81608.6	112834.6	16989.0	76933.5	94233.3	1.5
2014/15	100739.4	0.0	248.0	248.0	0.0	136536.8	136536.8	0.0	110593.3	110593.3	1.3
2015/16	145877.4	0.0	217.0	217.0	0.0	161575.2	161575.2	0.0	199200.0	199200.0	1.3
2016/17	204543.2	0.0	200.0	200.0	0.0	225321.2	225321.2	0.0	225321.2	225321.2	1.3
2017/18	286494.2	0.0	192.0	192	0.0	323991.2	323991.2	0.0	323991.2	323991.2	1.3
2018/19	397958.2	3.0	189.0	192	650	421983.535	422633.535	650	421983.535	422633.535	1.4
2019/20	231,486.88	35.00	128.00	163.00	11,143.00	232,012	243,155	5,980	228,859	234,839	4.5
2020/21	330673.0	286.0	117.0	403.0	127679.0	157104.6	284783.6	109655.9	129143.7	238799.6	8.0
2021/22	858468.8	412.0	174.0	586.0	365432.3	234046.3	599478.6	357032.3	225236.3	582268.6	9.0
2022/23	1278068.3	414.0	235.0	649.0	287405.1	307826.2	595231.3	268255.1	307826.2	576081.3	9.4
2023/24	1354852.2	270.0	263.0	533.0	333009.3	479882.8	812892.1	321319.3	476477.8	797797.1	10.0
2024/25	498,906.83	118.00	143.00	261.00	224,919	165,689	390,608	219,251	165,139	384,389.99	14.54

Table 19: Employment Created by Domestic & Foreign Investment Projects Which Have Commenced Operation, by Sector

Sector	2014(2021/22)		2015(2022/23)		2016(2023/24)		2017(2024/25)	
	Perm. Empl.	Temp.Empl	Perm. Empl.	Temp.Empl.	Perm. Empl.	Temp. Empl.	Perm. Empl.	Temp.Empl
Agriculture, hunting and forestry	-	-					100.00	
Construction	30.00	24.00	765.00	355.00	11.00	14.00	714.00	551.00
Education	17.00		120.00	40.00			8.00	-
Electricity, gas, steam and water supply	-	-						
Fishing	-	-						
Health and social work	20.00	-	66.00	127.00	12.00	15.00	317.00	63.00
Hotels and restaurants	60.00	80.00	107.00	5.00	57.00	13.00	193.00	104.00
Manufacturing	8,747.00	1,566.00	5,031.00	4,445.00	5,045.00	1,690.00	6,637.00	1,459.00
Mining and quarrying	-	-						
Other community, social and personal service activities	-	-			14.00	5.00		
Real estate, renting and business activities	1,109.00	426.00	625.00	4,375.00	567.00	432.00	54,407.00	60,289.00
Transport, Storage and Communication	3.00	2.00	65.00	32.00			510.00	35.00
Wholesale, retail trade & repair service	3.00	30.00					155.00	210.00
Others*	2,925.00	1,324.00	70.00	52.00				
Grand Total	12914	3452	6849	9431	5706	2169	63041	62711

**Table 20: Number and Investment Capital of Domestic & Foreign Investment Projects Which Have Commenced Operation by Sector
(In millions of Birr)**

Sector	2014(2021/2022)		2015(2023/2024)		2016(2022/2023)		2017(2024/2025)	
	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital	No. of Projects	Investment Capital
Agriculture, hunting and forestry	-	-	1.00	20.00			1.00	3,110.02
Construction	47.00	482.10	14.00	118.17	7.00	60,025.00	38.00	24,370.03
Education	1.00	20.58	1.00	1,500.00	1.00	70.00	2.00	334.00
Electricity, gas, steam and water supply	-	-						
Fishing	-	-						
Health and social work	1.00	6.99	3.00	48.70	6.00	152.28	12.00	412.35
Hotels and restaurants	1.00	105.37	2.00	30.44	2.00	157.32	5.00	136.93
Manufacturing	26.00	1,308.25	59.00	2,765.51	64.00	14,770.70	111.00	20,297.49
Mining and quarrying	-	-						
Other community, social and personal service activities	-	-			1.00	5.50		
Real estate, renting and business activities	23.00	130.70	14.00	56,150.88	20.00	810.90	29.00	156,939.08
Transport, Storage and Communication	8.00	62.50	6.00	1,139.51			2.00	213.02
Wholesale, retail trade & repair service	1.00	1.65					4.00	174.84
Others*	4.00	65.72	4.00	716.73				
Grand Total	112	2183.856544	104	62489.953	101	75991.69859	204	205987.7543

Annex 21: Number and Capital of Domestic & Foreign Investment Projects Which Have Commenced Operation, by Region (In millions of US Dollars)

Sector	2013(2020/21)		2014(2021/22)		2015(2022/23)		2016(2023/24)		2017(2024/25)	
	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	711.00	30,820.39	64.00	750.04	35.00	5,010.28	49.00	62,422.44	147.00	36,756.77
Afar			-	-						
Amhara	41.00	285.22	1.00	1.65					1.00	1.05
B.Gumze			-	-						
Dire Dawa			-	-						
Gambella			-	-						
Harari			-	-						
Multiregional	33.00	2,967.74	46.00	1,326.78	69.00	57,479.68	52.00	13,569.29	56.00	169,230.27
Oromia			-	-						
SNNPR			1.00	105.37						
Somali			-	-						
Tigray			-	-						
Grand Total	785.00	34,073.36	112.00	2,183.83	104.00	62,489.95	101.00	75,991.73	204.00	205,988.09