

BANK OF UGANDA

ANNUAL REPORT 2003/2004

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TABLE OF CONTENTS

LIST OF TABLES.....	iv
LIST OF FIGURES.....	iv
LETTER OF TRANSMITTAL.....	v
PART I.....	1
ECONOMIC AND FINANCIAL DEVELOPMENTS.....	1
EXECUTIVE SUMMARY.....	2
1.0 MONETARY POLICY OBJECTIVES, CHALLENGES AND ACTIONS.....	5
1.1. Monetary policy and macroeconomic objectives.....	5
1.2. Challenges facing monetary policy implementation.....	6
1.3. Instruments and market actions.....	6
2.0 PRICE AND MARKET DEVELOPMENTS.....	8
2.1. Domestic prices.....	8
2.2. Domestic money markets and interest rates.....	9
2.2.1. The Treasury Bond primary market.....	9
2.2.2. The Treasury Bond secondary market.....	10
2.2.3. The Treasury Bill primary market.....	11
2.2.4. The Treasury Bill secondary market.....	12
2.2.5. The vertical repo market.....	13
2.2.6 The inter-bank money market.....	13
2.2.7. Commercial banks' rates.....	13
2.3. The foreign exchange market and exchange rates.....	15
2.3.1. Foreign exchange volumes.....	17
3.0 MONETARY AND FINANCIAL SECTOR DEVELOPMENTS.....	18
3.1. Money and banking.....	18
3.1.1. Base money.....	18
3.1.2. Money supply.....	19
3.1.3. Net foreign assets.....	19
3.1.4. Net domestic assets.....	20
3.1.5. Financial depth.....	20
3.2. The Financial sector.....	21
3.3. Commercial bank activities.....	22
3.3.1. Assets.....	22
3.3.2. Liabilities.....	23
3.3.3. Outstanding loans and advances to the private sector.....	24
3.4. Non-Bank Financial Institutions (NBFIs).....	25
3.4.1. Assets.....	25
3.4.2. Liabilities.....	26
3.4.4. Liquidity.....	27
4.0 FISCAL OPERATIONS.....	28
4.1. Overview.....	28
4.2. Revenue performance.....	28
4.3. Government expenditure.....	29
4.4. The Budget deficit and its financing.....	29

5.0. EXTERNAL SECTOR DEVELOPMENTS	31
5.1. Balance of payments developments.....	31
5.1.1. Merchandise exports	32
5.1.2. Merchandise imports	34
5.1.3. Trade in services.....	34
5.1.4. Income.....	35
5.1.5. Current transfers.....	35
5.1.6. The capital and financial account.....	35
5.1.7. Reserves and related items.....	35
5.2. External debt.....	36
5.2.1. External debt management.....	36
5.2.2. External debt profile	36
5.2.3. Debt service	37
6.0. REAL SECTOR DEVELOPMENTS	38
6.1. Economic growth	38
6.1.1. Agriculture	38
6.1.2. Wholesale and retail trade.....	39
6.1.3. Manufacturing.....	39
6.1.4. Construction.....	40
6.1.5. Transport and communications.....	40

LIST OF TABLES

Table 1: Treasury Bond issues, volume, price and interest rates	10
Table 2: Developments in the Treasury Bill market.....	11
Table 3: Structure of holders of Treasury Bill market	12
Table 4: Volume and interest rate developments in the Repo market	13
Table 5: Average period exchange rates of major trading currencies (Shs per unit) ..	16
Table 6: Foreign exchange transaction volumes	17
Table 7: Monetary authority balance sheet.	18
Table 8 Monetary survey: June 2002-June 2004.....	20
Table 9: Measures of financial depth and developments of the banking sector	21
Table 10: Commercial banks' assets	23
Table 11: Non- bank deposits with commercial banks.....	23
Table 12: Outstanding loans and advances to the private sector	25
Table 13: The Liquidity of non-bank financial institutions.....	27
Table 14: Uganda - Fiscal operations; 2002/03 – 2003/04	30
Table 15: Balance of payments	32
Table 16: Developments in exports by commodity	34
Table 17: Outstanding public debt by creditor	36
Table 18: Percentage growth rates by sector in real terms.....	38

LIST OF FIGURES

Figure 1: Developments in policy rates and 91-Day Treasury Bill rates.....	7
Figure 2: Developments in annual inflation.....	9
Figure 3: Commercial bank interest rates and spread.....	14
Figure 4: Uganda's nominal and the real effective exchange rate index	16
Figure 5: The evolution of deposits of commercial banks.....	24
Figure 6: The distribution of loans and advances to the private sector	25
Figure 7: Private sector's deposits of non-bank financial institutions.	26
Figure 8: Outstanding loans and advances of non-bank financial institutions.	27
Figure 9: Composition of total debt by creditor	37
Figure 10: Trend of sectoral composition of GDP.....	41

LETTER OF TRANSMITTAL

*The Minister of Finance, Planning and Economic Development
The Republic of Uganda
KAMPALA*

Hon. Minister,

Annual Report 2003/2004

I am pleased to submit to you the Annual Report of the Bank of Uganda for the year 2003/2004. In accordance with Section 50 of the Bank of Uganda Statute, 1993, I am presenting to you the Bank's Annual Report for the Financial year 2003/2004 as well as the audited accounts for the year ended June 2004.

Yours faithfully,

E. Tumusiime-Mutebile

GOVERNOR



PART I

ECONOMIC AND FINANCIAL DEVELOPMENTS



EXECUTIVE SUMMARY

Monetary operations and policies

Monetary and financial sector policies generally underpinned government's commitment to achieve low and stable inflation, the attainment of a competitive exchange rate and low interest rates. The pursuit of these objectives is also fundamental within the country's medium term economic framework. This medium term framework recognises that high inflation discourages private investment and erodes the income of the poor. Therefore, monetary policy is heavily anchored on maintenance of price stability. During 2003/04, average inflation fell to 5.0 percent from 5.7 percent in the year ended 2002/03. The main challenge to inflation control during 2003/04 arose from the high levels of liquidity injections arising from donor funding of domestic expenditure. Since donor funding of the government expenditure increased, the Bank of Uganda (BOU) had to step up issuing government securities and sales of foreign exchange to mop up the additional liquidity which was generated. The aim was to ensure that money supply increase did not exceed that demanded by the economy so as not to compromise the objective of achieving the inflation target. Inflation fears were also fuelled by the upward trend in the international price of crude oil. Global oil prices were driven by supply constraints, the strengthening of the world economy and geopolitical tensions. In spite of these fears, the rate of increase of monetary aggregates slowed down notably during the year. The growth in broad money M3 fell to 9.2 percent by the end of June 2004 from 23.3 percent by the end of June 2003 while the growth in broad money M2A fell to 11.1 percent from 17.2 percent over the same period. The low inflation outcome for 2003/04 therefore, continued to feed back into expectations of lower inflation over the medium term.

Domestic interest rates were relatively high and volatile during the first half of 2003/04, a situation which was not helped by inflows of offshore short term capital as a result of higher domestic interest rates on government securities. In the second half, as liquidity management pressures ebbed and long term bonds were introduced, interest rates declined. The introduction of long term bonds during this period had important implications for the financial sector. First, locking up liquidity over longer periods relieved pressures on short term interest rates, while stimulating competition for long term assets. Secondly, the bonds provided additional saving instruments and deepened further the capital market industry. Thirdly, the bonds provided an initial tool as a benchmark for the issuance of long term instruments by the private sector.

The exchange rate experienced significant appreciation pressures in the latter part of 2003/04 driven in part by the weakening of the US\$ vis a vis other currencies. The weakening of the US\$ against other international currencies arose from the low interest rates in the United States and investor concerns regarding the size of the US current account deficit. Appreciation pressures also arose from the participation of offshore investors in our securities market in the financial year 2003/04. This led to



an increase in portfolio inflows. BOU net sales of foreign exchange for both the sterilisation and intervention operations declined from US \$ 228.0 million in 2002/03 to US \$ 140.9 million during 2003/04. On balance however, the nominal effective exchange rate (NEER) depreciated by 5.2 percent in 2003/04 compared to a depreciation of 9.5 percent which was registered in 2002/03. Consequently, because of higher trade weighted foreign inflation of 6.4 percent relative to the domestic inflation of 5.0 percent, the real effective exchange rate (REER) depreciated by 6.5 percent in 2003/04 compared to a depreciation of 9.1 percent in 2002/03.

Fiscal operations and policies

Budget management in 2003/04 was complicated by the emergence of supplementary expenditure pressures in the last quarter of the financial year. Increased sales of government securities to manage the liquidity effects of deficit financing led to higher interest costs. Higher domestic interest costs as well as pressure to fund supplementary expenditure led to adjustment in discretionary non-wage and development expenditure which negatively affected the performance of expenditure line items in these areas. This was not helped by the shortfall that was recorded in domestic revenues mainly on account of weak performance in VAT collections on imports and on domestically produced goods. Donor inflows, however, out performed the initial target set for the financial year while total government spending was higher than projected. This resulted in an overall budget deficit (excluding grants) of 11.8 percent of GDP. Government remains committed to ensuring that both monetary and fiscal policies operate within a sound medium term framework so that the prospects for achieving more vibrant, sustainable economic growth and development in the future remain good.

External sector developments

The overall balance of payments position in 2003/04 improved from a surplus of US\$ 55.8 million last financial year to a surplus of US\$ 182.7 million in spite of a worsening in the trade deficit over the same period. The improvement in the overall balance was due to a substantial increase in current transfers to both general government and the private sector. Transfers to general government increased by 39 percent to US\$ 714.8 million from US\$ 511.3 million recorded in the previous financial year. Private transfers decreased from US\$ 455.7 million in 2002/03 to US\$ 441.6 million in 2003/04. The current account deficit narrowed in 2003/04 and was financed largely by inflows of foreign capital. As a percentage of GDP, the current account deficit (excluding grants) fell from 14.0 percent in 2002/03 to 12.8 percent and continued to reflect an excess of domestic expenditures over income. Despite the decline, net inflows of capital more than covered the deficit on the current account, thus enabling the foreign reserves in terms of months of import cover for goods and services to remain at 6.2 months as at the end-June 2003. Uganda's external debt stock was US\$ 4,464.9 billion by end June 2004 compared to US\$ 4,215.5 billion by end June 2003.



Real sector developments

In 2003/04 the economy registered a growth rate of 5.8 percent in real terms compared to 4.9 percent in the previous financial year. This growth was largely due to higher agricultural output, which was helped by adequate rains for food crops. A rebound in food crop output reduced food crop prices, thereby keeping inflation lower compared to the previous year, in spite of the high and largely volatile international oil prices. With food crop production favourably affected by weather, real production volumes in agriculture continued to increase, simultaneously real value added in manufacturing expanded, albeit in a subdued way. Export receipts increased mainly due to investment in fish processing facilities on one hand and enhanced management in the tea sector on the other. Growth was also recorded in electricity generation, transport and communication, public construction and hotels and restaurants. Higher economic growth was also made possible because of continued macroeconomic stability. The share of agriculture in the last five fiscal years declined by 2.4 percentage points, while the share of industry and services increased by 0.8 percent and 1.6 percent respectively. Real fixed capital formation also recorded an increase both in the private and government sectors, with the expansion being led by the private sector.



1.0 MONETARY POLICY OBJECTIVES, CHALLENGES AND ACTIONS

1.1. Monetary policy and macroeconomic objectives

Monetary policy during the financial year, 2003/04 was aimed at maintaining price stability. This was done to achieve a real GDP growth rate of 5.8 percent; and low and stable inflation averaging 5 percent for annual underlying and headline inflation, respectively.

On assumption of a modest decline in velocity, the broad money aggregates M2 and M3 were projected to grow at 15.0 and 15.6 percent, respectively. Private sector credit was projected to increase by 5.4 percent, partly reflecting the strength and confidence in the banking system as a result of the ongoing financial sector reforms and the deepening of the sector.

Consistent with the above, the fiscal deficit, before grants, was expected to narrow by 0.7 percentage points to 10.7 percent of GDP, while the external current account deficit was expected to be 13.7 percent of GDP. In order to achieve the anticipated reduction in the fiscal deficit, revenue-enhancing measures mainly tax administration, were expected to increase revenue by 0.6 percentage points to a level of revenue-to-GDP ratio of 12.8 percent, while expenditure-restructuring measures aimed at fiscal consolidation would reduce the fiscal deficit to 10.7 percent. The deficit was expected to be financed almost entirely by donor support, mostly in form of grants.

In the external sector, the government export promotion strategy to reduce external vulnerability was expected to support strong recovery in the export sector which had been declining in previous years. The growth in both coffee and non-coffee exports of 22.8 percent and 18.2 percent respectively, were to reduce the external current account deficit to about 13.7 percent of GDP, while foreign exchange reserves were targeted at 6 months of import cover. In addition to the regular sales of foreign exchange aimed at sterilizing excess liquidity emanating from fiscal operations, BOU was to intervene in the market to smooth any erratic fluctuations in the exchange rate.

The debt sustainability position was expected to improve through the pursuance of sound debt management principles and restriction on new borrowing to concessional loans, while exploring possibilities of increasing the grant element of new development assistance and trimming external borrowing over the medium term.



1.2. Challenges facing monetary policy implementation

The management of excess liquidity injections resulting from donor-funded government expenditure in support of poverty reduction programs continues to pose a challenge to monetary policy implementation. The BOU carried out its monetary policy operations in a cautious manner, and the operations were designed not to exacerbate instability in the financial markets.

The tight monetary policy pursued to contain inflationary pressures during the first quarter of the year pushed up interest rates, which reached peak levels in December 2003. The widening interest rate differentials subsequently attracted short term capital inflows, which complicated the conduct of monetary policy. Portfolio and other inflows exerted pressures on the exchange rate in the first half of 2003/04, which prompted the central bank's intervention on the buy side to stabilise foreign exchange market conditions. The purchases of foreign exchange by BOU injected liquidity, which combined with liquidity associated with fiscal operations overwhelmed the effect of sterilisation sales of foreign exchange. In order to avoid the rapid expansion of base money, the burden for liquidity management shifted to net sales of government securities, contributing to the high interest rates which were witnessed in the first half of 2003/04.

1.3. Instruments and market actions

The main instruments for the sterilization of structural liquidity were the sale of Treasury bills in the domestic primary market and sale of foreign exchange under the sterilization strategy which was adopted since April 2002. BOU intervened in the foreign exchange market to curb volatility in the foreign exchange market. In addition, repurchase agreements were actively used to manage intra-auction liquidity variations. During the financial year, efforts to promote the development of financial markets and to improve the efficiency of its instruments were made. Specifically, the BOU continued to widen the mix of instruments for liquidity management while developing the securities market. The BOU began issuing 2-year, 3-year, 5-year, and 10-year Treasury bonds. Furthermore, the 2-year and 3-year bonds were reopened to provide an avenue for increasing the supply of bonds in order to stimulate the development of the securities market, while at the same time, locking up liquidity for longer periods.

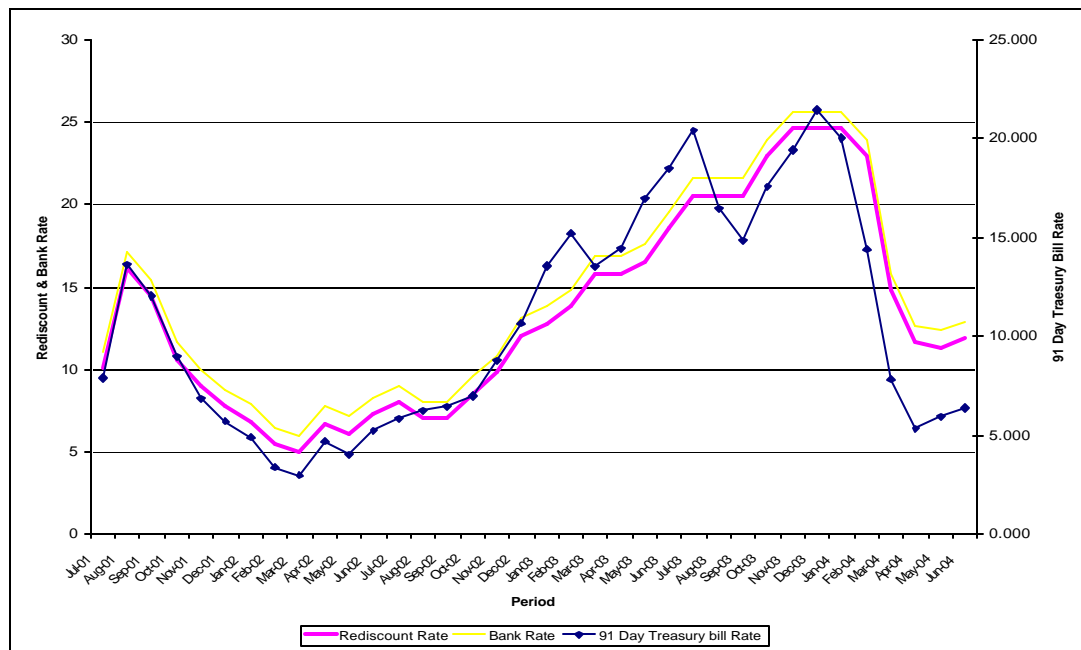
The modalities of both the Repo and the treasury bill market continued to be market determined. The BOU announced the tenor and the volumes, thus letting the market decide the interest rates. Earlier in 2003/04, BOU had introduced a bi-monthly auction of the treasury bills under the primary dealership program for government securities. Under this framework, access to the primary issues of treasury bills was restricted to the primary dealers, who are required to generate secondary markets for them.



The BOU also varied its policy rates to supplement the quantity-based instruments and signal the expected trend of monetary policy. On account of the increased inflationary pressures, the policy rates trended upward in the first half of the financial year. This trend was however, reversed in the second half of the year. The Rediscount rate and Bank rate declined from 20.6 percent and 21.6 percent, respectively in June 2003 to 11.9 percent and 12.9 percent, by end-June 2004. The reserve requirements were maintained at 9.0 percent on time and savings deposits, and at 10.0 percent on demand deposits. Figure 1 charts the trend of the indicative policy rates.

Occasionally, BOU intervened in the foreign exchange market to stem instability in the market and smooth exchange rate movements. Sales of US\$ 140.9 million under both sterilization and the intervention strategy, mopped an equivalent of Shs 272.7 billion in 2003/04. This was lower than sales of US \$ 227.9 million effected in the previous year.

Figure 1: Developments in policy rates and 91-Day Treasury Bill rates



Source: Bank of Uganda



2.0 PRICE AND MARKET DEVELOPMENTS

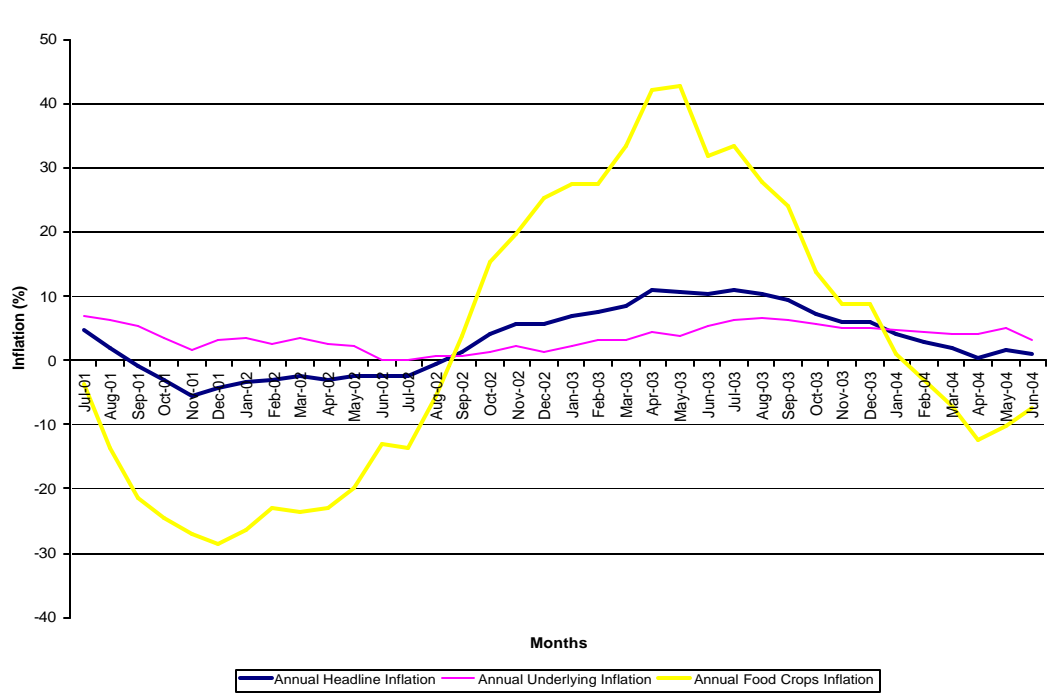
2.1. Domestic prices

Prudent macroeconomic management by both fiscal and monetary authorities helped minimize inflationary pressures during the financial year 2003/04. Policy management was implemented in a framework consistent with the governments' target of maintaining underlying inflation at 5 per cent or less. In addition, higher agricultural output brought about by favourable weather resulted in increased food crop production, which led to lower prices of foodstuffs.

The annual headline inflation which averaged 5.2 per cent during the financial year 2003/04, was lower than 5.7 per cent recorded in the previous financial year. Headline inflationary pressures peaked at 11.1 per cent in July 2003 but gradually declined during the rest of the year to record a low rate of 0.5 per cent by April 2004 and closed the year at 0.9 per cent by end-June 2004. The decline in annual headline inflation was attributed to decreases in food crop prices caused by higher food crop production. The annual underlying inflation averaged 5.0 per cent, up from 2.4 per cent registered in the previous financial year. Inflationary pressures emerged at the beginning of the financial year with the highest rate on the underlying inflation recorded at 6.5 per cent in August 2003. The underlying inflation rate gradually declined in the second half of the year to close at 3.1 per cent in June 2004. Increase in prices of both imported and locally produced manufactured products at the beginning of the financial year greatly contributed to the rise in average annual underlying inflation. Figure 2 below shows developments in the annual inflation for the period July 2001 to June 2004.



Figure 2: Developments in annual inflation.



Source: Bank of Uganda

2.2. Domestic money markets and interest rates

The BOU pursued measures to improve the environment for the conduct of monetary policy. As a result, the trends of the majority of interest rates in the money markets over 2003/04 were closely related. A similar trend exhibited by different types of interest rates during the financial year under review generally reflected improvements in the operation of market activities as well as in the transmission mechanism of monetary policy to the economy as a whole.

2.2.1. The Treasury Bond primary market

During the second half of 2003/04, government treasury Bonds¹ in the tenors of 2, 3, 5 and 10 years were introduced and issued. The bonds are expected to support monetary policy implementation by improving liquidity management and promoting market development. Most importantly, these securities would help by extending not only the maturity of the instruments traded, but also the yield curve. In addition, these bonds are also expected to provide additional saving instruments and deepen the capital market. The 2-year and 3-year bonds were reopened with the aim of creating more liquid and tradable securities.

¹ A bond is a market instrument with a maturity term longer than one year



During the third quarter of the financial year, the 2-year, 3-year and 5-year bonds were issued at face values of Shs 20.0 billion each. All the issues were oversubscribed and the weighted yields-to-maturity were 20.8 percent, 15.5 percent, and 12.8 percent, respectively. In the last quarter of the financial year, the 10-year and 2-year bonds were issued at face values of Shs 15.0 billion and Shs 30.0 billion respectively. These issues were also over-subscribed and attracted respective weighted yields-to-maturity rates of 13.5 percent and 13.7 percent. Within the same period, the 2-year and 3-year bonds were reopened with face values of Shs 30.0 billion each. Over subscriptions were again recorded in the auctions and the weighted yields-to-maturity rates of 13.6 percent and 15.1 percent were registered for the 2 and 3 year bonds, respectively. Total treasury bond issues in 2003/04 amounted to Shs 165.0 billion and all these bonds were listed on the Uganda Securities Exchange. Details of the issues are summarised in Table 1 below.

Table 1: Treasury Bond issues, volume, price and interest rates

Tenor/ Issue date	New Issues				Reopened			2003/04
	2 Years Jan 2004	3 Years Feb 2004	5 Years Mar 2004	10 Years May 2004	2 Years June 2004	3 Years June 2004	2 Years June 2004		Total
Offers/issues	20.00	20.00	20.00	15.00	30.00	30.00	30.00	165.00
Total bids	36.46	44.83	41.99	25.17	44.19	44.81	46.78	284.23
Amount sold	16.60	17.56	18.52	12.99	29.64	27.79	28.13	151.23
Cover ratio %	182.31	224.15	210.00	167.77	147.29	149.37	155.92	
WAP per Shs. 100	83.02	87.82	92.59	86.61	98.81	92.64	93.76	
Yield to maturity %	20.81	15.48	12.80	13.48	13.56	15.13	13.67	

Source: Bank of Uganda

2.2.2. The Treasury Bond secondary market

Since the introduction of Treasury Bonds in the second half of 2003/04, indicative bid/offer yield-to-maturity rates, have been quoted for secondary trades. In the third quarter of 2003/04, the respective average indicative bid/offer yield-to-maturity in the market were 19.3/19.0 percent, 15.2/14.9 percent and 12.8/12.5 percent for the 2-year, 3-year and 5-year bond. The yield-to-maturity remained stable in the last quarter of 2003/04, when the average indicative rates were quoted at 19.4/19.1 percent, 15.0/14.8 percent and 13.1/12.9 percent for same respective papers. The average indicative rates for the 10-year bond were 17.6/16.7 percent. In 2003/04, a total of Shs 0.5 billion of the 2-year and Shs 0.02 billion of the 3-year bonds were traded in secondary market at the Uganda Securities Exchange. No trades were recorded in the other papers.



2.2.3. The Treasury Bill primary market

Under phase I of the Primary Dealership Program in the securities market which started in the year 2002/03, access to primary issues of treasury bills is to the primary dealers. All intending participants in the primary auction can submit their bids through the primary dealers. When phase II of the Primary Dealership Program becomes operational, it will only be the primary dealers to participate and these will then be mandated to generate a market for these instruments.

During fiscal year 2003/04, Treasury Bills remained the main instrument for sterilization of liquidity and in line with the liquidity developments, the stock of Treasury Bills increased by 3.8 percent to Shs 1,247.9 billion as at the end of June 2004, up from Shs 1,202.6 billion as at end June 2003. As shown in Table 2, Treasury bills worth Shs 1,484.6 billion in face value and Shs 1,292.6 billion in cost value were issued against maturities of Shs 1,385.1 billion.

Table 2: Developments in the Treasury Bill market

	2002/03 FY	2003/04 Q1	2003/04 Q2	2003/04 Q3	2003/04 Q4	2003/04 FY
Stock of Treasury Bills (bill. Shs)	1,202.60	1,231.73	1,340.01	1,278.59	1,247.96	1,247.96
91 Day Treasury Bill factors						
Average price	97.19	95.88	95.37	96.62	98.55	96.61
Annualised discount rate (%)	11.15	16.51	18.58	13.55	5.81	13.61
Annualised discount yield (%)	11.51	17.24	19.49	14.08	5.90	14.18
Reference rate (%)	11.32	17.62	20.44	16.93	6.18	15.29
Rediscount rate (%)	12.09	20.58	24.62	21.67	11.87	19.69
Net issues	299.20	82.99	108.43	(60.54)	(31.41)	99.47
Total issues	1,367.30	455.00	455.00	304.61	270.00	1,484.61
91 days	163.86	54.00	62.00	27.00	22.00	165.00
182 days	223.87	85.00	84.00	37.00	25.00	231.00
273 days	352.62	128.00	108.00	92.00	93.00	421.00
364 days	626.95	188.00	201.00	129.00	130.00	648.00
Total receipts	1,219.46	397.48	399.28	245.51	250.29	1,292.56
91 days	159.09	51.81	59.21	26.08	21.68	158.78
182 days	208.16	77.23	79.96	34.04	24.10	215.33
273 days	314.22	111.08	93.35	82.74	86.76	373.93
364 days	538.00	157.36	166.76	102.65	117.75	544.52
Total maturities	1,068.10	372.01	346.57	365.15	301.41	1,385.14

Source: Bank of Uganda

Consistent with the trend established in previous years, commercial banks held the bulk of the outstanding stock of Treasury Bills. Commercial banks holding accounted for 65.6 percent of the total stock. This proportion was however lower



than the holding of 73.2 percent recorded in the year ended -June 2003. This shift in composition was on account of an increase in 'Others' category. The contribution of the other category to the stock rose from 11.2 percent to 14.8 percent during this period. BoU's stock of Treasury bills, mainly held for open market operations (OMO), increased to 17.3 percent in 2003/04 compared to 12.8 percent of total stock in 2002/03. The distribution of Treasury Bill holdings for the two financial years is shown in Table 3 below.

Table 3: Structure of holders of Treasury Bill market

Holder	2002/03 FY	2003/04 Q1	2003/04 Q2	2003/04 Q3	2003/04 Q4	2003/04 FY
Commercial banks	73.24	75.60	72.31	70.13	65.63	65.63
Non-Bank Financial Institutions ¹	2.75	3.06	3.02	2.96	2.32	2.32
Bank of Uganda	12.83	9.69	9.99	10.38	17.29	17.29
Others ²	11.17	11.66	14.67	16.53	14.76	14.76
Total	100.00	100.00	100.00	100.00	100.00	100.00
Stock of Treasury Bills	1,202.60	1,231.73	1,340.01	1,278.59	1,247.96	1,247.96

Notes 1. Non-bank financial institutions include credit institutions, micro-finance institutions and insurance companies. 2. Others include government agencies, individuals and market intermediaries

Source: Bank of Uganda

Throughout the year, most auctions were over-subscribed and demand continued to be mainly concentrated at the longer end of the market. As a result, the movement in the interest rates over this period was mostly pronounced at the short end of the yield curve. The annualised yield on the 91-day Treasury Bills dropped from 18.5 percent in June 2003 to 6.4 percent in June 2004. Similarly, the rates on the 182-day, 273-day and 364-day treasury bills that were 20.3 percent, 20.5 percent and 20.5 percent in June 2003 declined to 7.9 percent, 10.5 percent and 10.8 percent respectively by end-June 2004 respectively.

2.2.4. The Treasury Bill secondary market

In line with developments in the primary market, the bid and offer rates from the primary dealers maintained a downward trend over the period under review. The market average bid and offer rates on the 91-day Treasury Bill that were recorded at 16.6 and 16.5 percent respectively in June 2003 fell to 6.2 and 5.9 percent, by end June 2004. The average bid and offer quotes for 182-days, 273-days and 364-days papers were 7.6/7.4 percent, 9.3/9.1 percent and 10.2/10.0 percent, respectively by end June 2004. As in the primary market, the yield curve derived from average discount quotes in the secondary market was upward sloping, albeit with less steepness at the short-end of the market. Total trades over 2003/04 amounted to Shs 98.7 billion at an average discount rate of 14.7 percent. All of these trades were outright sales, with the majority in securities of less than 91 days to maturity.



2.2.5. The vertical repo market

The vertical repo market, which accommodates transactions between commercial banks and BOU, was active throughout the financial year. This was used as a fine-tuning instrument for liquidity during intra-treasury bill and bond auction periods. Over the year 2003/04, gross Repo issuance amounted to Shs 2,728.2 billion against maturities of Shs 3,103.5 billion. These amounts were more than four times the respective levels registered in 2002/03, partly reflecting the increasing role of the REPO instrument as holding ground of excess liquidity before it is absorbed by the sterilisation instruments.

Table 4: Volume and interest rate developments in the Repo market

	FY 2002/03	Q1 2003/04	Q2 2003/04	Q3 2003/04	Q4 2003/04	FY 2003/04
Issuance of Repos (Shs Bns)	602.20	294.10	294.90	831.90	1,307.25	2,728.15
Maturity of Repos (Shs Bns)	561.82	297.58	295.57	776.74	1,733.63	3,103.52
Repo rate (average) (%)	9.84	11.41	17.60	9.17	6.19	11.09
Repo rate (end period) (%)	20.58	8.55	21.91	5.35	7.31	7.31

Source: Bank of Uganda

The net effect of the REPO instrument on liquidity management was therefore an injection of Shs 375.4 billion in 2003/04, compared to a net withdrawal of Shs 40.4 billion recorded in 2002/03. The weighted interest rate from this market also maintained a downward trend during the year. As depicted in Table 4 above, the weighted average repo rate was 20.6 percent by end-June 2003 and fell to 7.3 percent by end-June 2004. The weighted average repo rate for the year, however, increased from 9.8 percent to 11.1 percent over the financial year.

2.2.6 The inter-bank money market

The interbank money market witnessed a marked increase in activity throughout the period under review. Most of the activities took place at the short-end of the market, i.e. not exceeding 30 days. Total volumes traded in the interbank shilling market increased markedly from Shs 208.9 billion in 2002/03 to Shs 1,887.9 billion in 2003/04.

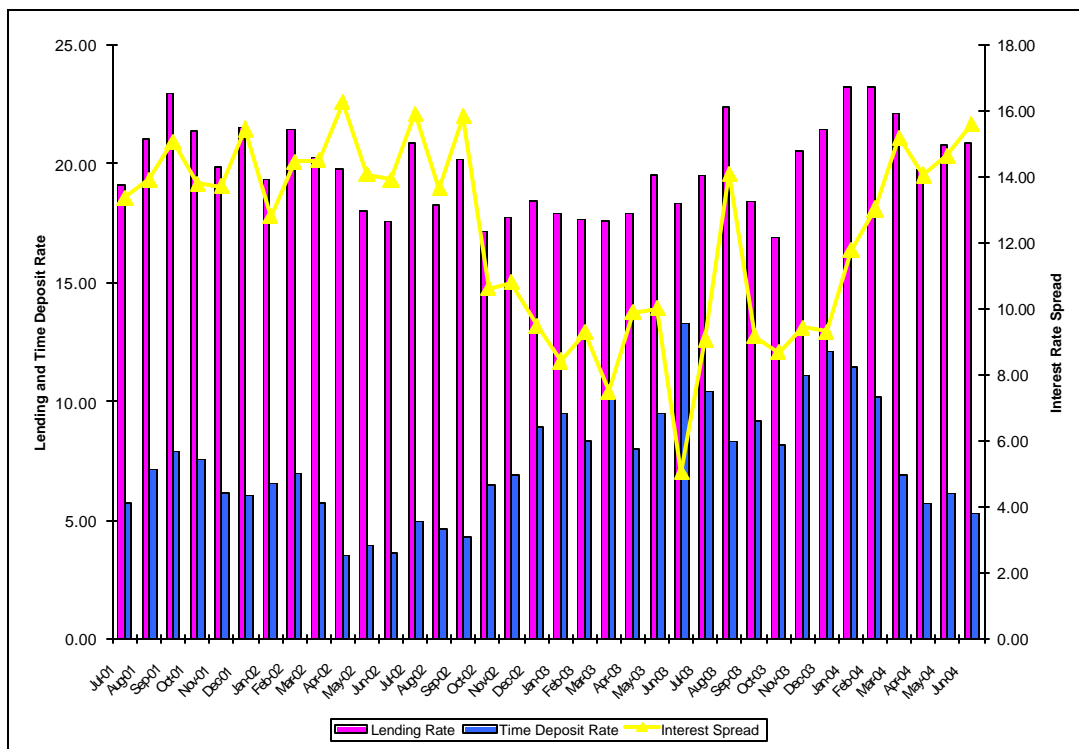
2.2.7. Commercial banks' rates

The downward trend in the treasury bill rates was followed by the weighted interest rates on deposits of commercial banks. All the weighted average rates for shilling deposits declined. The weighted rate on saving deposits that opened at 2.9 percent in June 2003 declined to a low of 1.9 percent in April 2004 before increasing slightly to 2.1 percent at the close of the financial year. The weighted demand deposit rate also



followed a similar trend, opening at 3.1 percent before declining to 1.5 percent by June 2004. This pattern was also exhibited by the weighted time deposit rate that opened at 13.3 percent in July 2003 and declined to 5.2 percent at the end of June 2004. The weighted average lending rate for shilling denominated loans fluctuated during the period under review. As at end June 2003, the lending rate for shilling denominated loans was 18.4 percent, it declined slightly to 16.9 percent by October 2004 before rising to 20.9 percent as at end of June 2004. The weighted average time deposit rate increased from 1.7 percent reported in June 2003 to 2.7 percent at June 2004. The weighted average lending rate for foreign currency denominated loans fell from 11.1 percent as at June 2003 to 6.7 percent in June 2004, thus making it more attractive to borrow in foreign exchange. This partly reflected the increased foreign exchange supply in the banking system. The spread between the average effective lending and savings deposit rates in the shilling market increased from 15.2 percent to 19.4 percent. Although the spread between the lending rate and the time deposit rate also rose from 5.1 percent in June 2003 to 15.6 percent in June 2004, it was lower than the loan-saving deposit rate spread, reflecting some sensitivity of the time deposit rate to rates in the securities markets. Figure 3 traces the developments in commercial bank rates and the spread between the lending and time deposit rates.

Figure 3: Commercial bank interest rates and spread



Source: Bank of Uganda



2.3. The foreign exchange market and exchange rates

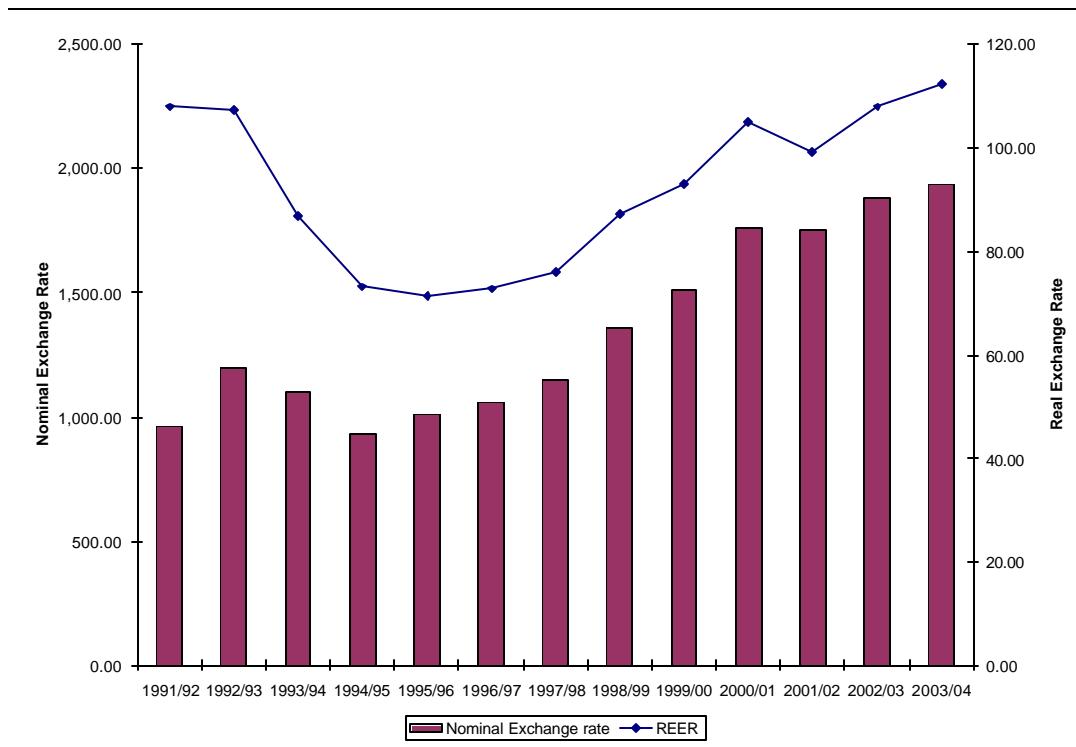
The Uganda Shilling depreciated against the US Dollar during 2003/04. The weighted average mid rate in the inter-bank foreign exchange market depreciated by 2.9 percent from Shs 1,881.1 per US \$ in 2002/03 to Shs 1,936.2 per US\$ in 2003/04. The depreciation was less marked compared to the level of 7.2 per cent posted in the preceding financial year when the average exchange moved from Shs 1,754.4 per US \$ in 2001/02 to Shs 1,881.1 per US \$ in 2002/03. However, using the monthly weighted average exchange rate, the shilling appreciated by about 9 per cent from Shs 1,998.2 per US \$ in June 2003 to Shs 1,818.7 per US \$ in June 2004.

The evolution of the Uganda shilling against the US dollar largely depends on the level of aid inflows, export receipts and inflows on account of private remittances on one hand and on the level of import demand for foreign exchange on the other hand. A new element reflecting, the participation of offshore investors in our securities market in the financial year 2003/04 occurred and this was driven by high interest rates on government securities. This led to an increase in portfolio inflows. .

The nominal effective exchange rate (NEER) depreciated by 5.2 percent from an index of 113.9 in 2002/03 to an index of 119.8 in 2003/04. The depreciation was less than that of 9.5 percent registered in 2002/03. Consequently, because the trade weighted foreign inflation was higher at 6.4 percent relative to the domestic inflation rate of 5.0 percent, the real effective exchange rate (REER) depreciated by 6.5 percent in 2003/04 compared to a depreciation of 9.1 percent in 2002/03. During 2003/04 the shilling depreciated by 2.7 percent against the US\$ to Shs 1,934.9 from Shs 1,883.4 in 2002/03. Against the Euro, the shilling depreciated by 13.2 percent to Shs 2,306.0 per US\$ in 2003/04 from Shs 1,977.1 in 2002/03. Similarly, the Shilling depreciated by 2.7 percent against the Kenyan currency during 2003/04 to Shs 25.1 from Shs 24.4 in 2002/03. While Figure 4 traces the developments in the nominal and the real effective exchange rates, Table 5 provides period average nominal exchange rates of the country's major trading currencies.



Figure 4: Uganda's nominal and the real effective exchange rate index



Source: Bank of Uganda

Table 5: Average period exchange rates of major trading currencies (Shs per unit)

Period	US\$	UK Pound	Kenya Shs	Euro	South African Rand
1991/92	960.82	1,696.19	32.51	...	339.23
1992/93	1,201.82	1,949.77	30.50	...	399.78
1993/94	1,102.70	1,650.22	16.96	...	320.40
1994/95	932.53	1,472.19	19.58	...	259.84
1995/96	1,012.82	1,567.01	17.81	...	264.46
1996/97	1,058.08	1,707.88	19.12	...	234.01
1997/98	1,149.65	1,892.29	18.61	...	235.00
1998/99	1,362.11	2,235.13	21.64	1,550.59	225.33
1999/00	1,512.02	2,408.13	20.31	1,513.59	238.64
2000/01	1,762.92	2,556.61	22.57	1,572.52	231.85
2001/02	1,754.56	2,530.75	22.31	1,571.36	175.84
2002/03	1,883.41	2,986.49	24.43	1,977.06	211.65
2003/04	1,934.91	3,381.69	25.09	2,305.98	281.34

Source: Bank of Uganda



2.3.1. Foreign exchange volumes

Total transaction volumes in the Inter-bank Foreign Exchange Market (IFEM), which are a sum of retail purchases and sales, and inter-bank transactions, amounted to US\$ 3.7 billion in 2003/04 compared to US\$ 3.2 billion in 2002/03. Retail sales amounted to US\$ 1.6 billion, an increase of 8.2 percent from last financial year's level of US \$ 1.5 billion. Retail purchases also increased by 22.7 percent from US \$ 1.2 billion in 2002/03 to US\$ 1.5 billion in 2003/04. Inter-bank transactions were level at about US\$ 0.5 billion in both 2002/03 and 2003/04. BOU net sales of foreign exchange for both the sterilisation and intervention operations declined from US \$ 228.0 million in 2002/03 to US \$ 140.9 million during 2003/04. Foreign exchange inflows to the market during the financial year were mainly composed of private remittances, official grants and proceeds from merchandise and service exports from Uganda, while outflows went to finance the import of goods and services and other requirements. Table 6 provides volumes of foreign exchange transactions.

Table 6: Foreign exchange transaction volumes

Period	Net retail sales	Net retail purchases	Net interbank transactions	Total transactions
1993/94	273.3	290.8	91.4	655.5
1994/95	749.7	740.0	267.2	1,756.8
1995/96	976.5	1,019.4	287.4	2,283.3
1996/97	1,142.1	1,153.4	220.0	2,515.6
1997/98	1,219.2	1,238.4	200.7	2,658.3
1998/99	1,259.3	1,228.2	298.1	2,785.6
1999/00	1,343.6	1,224.5	262.2	2,830.3
2000/01	1,358.2	1,182.0	336.0	2,876.2
2001/02	1,567.6	1,366.4	401.8	3,335.8
2002/03	1,522.3	1,232.0	471.7	3,226.0
2003/04	1,647.9	1,512.1	522.1	3,682.1

Source: Bank of Uganda



3.0 MONETARY AND FINANCIAL SECTOR DEVELOPMENTS

3.1. Money and banking

3.1.1. Base money

The combination of commercial banks' deposits at the BOU, currency issued and commercial bank holdings of BOU securities, grew by 24.6 per cent as at end-June 2004 over its end-June 2003 level. Excluding commercial bank holdings of BOU instruments, base money grew by 28.4 per cent from Shs 630.6 billion to Shs 809.9 billion. This compares to a 0.1 percent growth rate registered in the preceding year. Both components of base money expanded, with currency issues increasing by 16.3 percent while commercial bank's deposits at BOU almost doubled. The reserves of commercial banks held at BOU, increased by 85.4 percent to Shs 204.6 billion by the end of June 2004. Commercial banks' investments in BOU instruments fell from Shs 65.5 billion to Shs 57.2 billion between June 2003 and June 2004. The growth in base money in 2003/04 was mainly on account of the increase in net foreign assets. Table 7 depicts developments in some in the monetary authority balance sheet over the last four successive years.

**Table 7: Monetary Authority balance sheet.
(Shs billion, at end of period)**

Aggregate	June 2001	June 2002	June 2003	June 2004
Net Foreign Assets	792.3	1,090.6	1,500.5	1,678.3
Net Domestic Assets	-296.6	-489.3	-904.9	-896.8
Claims on Government (net)	203.0	-12.7	-194.8	-370.1
Claims on Private Sector	0.0	- ²	-	13.8 ³
Claims on Parastatals	4.3	4.0	4.0	1.9
Claims on Commercial Banks	63.9	72.5	100.5	85.6
Other Items (net)	-503.9	-518.1	-714.1	-542.4
Base Money (incl. BOU Instruments)	559.6	661.6	696.1	867.1
Base Money	549.6	630.0	630.6	809.9
Currency Outside BOU	386.7	447.9	520.3	605.3
Commercial Bank Reserves	162.9	182.1	110.4	204.6
Commercial Bank BOU Instruments	10.0	31.60	65.5	57.15

Source: Bank of Uganda

² Reclassified in June 2002 to: Parastatals (barter and crop finance), Other Items; assets (other advances) and liabilities (non-government, non-bank deposits).

³ Staff Loans at BOU.



3.1.2. Money supply

Broad Money (M3), which comprises of Currency in Circulation (CIC) and all private sectors' deposits, grew by 9.3 per cent or Shs 219.8 billion to Shs 2,593.2 billion in 2003/04 compared to a growth rate of 23.3 percent recorded in 2002/03. The deceleration in the rate of growth of M3 can be traced to the performance of resident's foreign denominated deposits and the private sectors' demand deposits, which grew by 4.4 percent and 12.3 percent in 2003/04 compared to 43.5 percent and 17.4 percent respectively in 2002/03. The slow down of resident's foreign deposits was on account of both the exchange rate effects and the slower build-up of these deposits in dollar terms compared to developments in 2002/03. The growth rate of the private sector's time and savings deposits fell from 20.8 percent in 2002/03 to 7 percent in 2003/04, while currency in circulation increased from 13.3 percent to 14.6 percent. The decline in time and savings deposits could be due to the availability of other investment outlets such as increased shares on the Uganda Securities Exchange and Treasury Bonds. Most of the growth in M3 was on account of increased net foreign assets of the banking system and growth in private sector credit, which contributed 11 percent and 6.4 percent, respectively. Broad Money (M2A), which includes currency in circulation and shilling deposits, grew by 11 per cent over the same period. Table 8 shows the developments in money supply and the factors contributing to its growth over the review period.

3.1.3. Net foreign assets

The net foreign assets of the banking system increased by 12.4 percent or Shs 260.7 billion during 2003/4, thereby contributing 11 percent to growth in M3. The net foreign assets of BOU rose by 11.9 percent to Shs 1,678.3 billion. A major part of the increase in foreign assets constituted net inflows of donor budget support. At the level of commercial banks, net foreign assets grew by 13.8 percent to Shs 683.7 billion over the same period.



**Table 8: Monetary survey: June 2002-June 2004
(Shs billion, at end of period)**

Aggregate	June 2002	June 2003	June 2004	Change June 2003– June 2004	
				Absolute	Percent
Net foreign assets	1,559.8	2,101.3	2,362.0	260.7	12.4
Bank of Uganda	1090.6	1,500.5	1,678.3	177.8	11.9
Commercial banks	462.1	600.8	683.7	82.9	13.8
Domestic credit	1,151.4	1,246.1	1,198.5	-47.6	-3.8
o/w Claims on government (net)	482.0	390.4	184.2	-206.2	-52.8
Claims on private sector	661.7	848.6	1,000.3	151.7	17.9
Other items (net)	-778.6	-974.1	-967.3	6.7	-0.7
NDA (net of revaluation)	535.0	603.2	829.6	226.5	37.5
Broad money (M3)	1,925.4	2,373.4	2,593.2	219.8	9.3
Foreign exchange deposits	434.8	624.2	651.7	27.5	4.4
Broad money (M2A)	1,490.6	1,749.2	1,941.5	192.3	11.0
Currency in circulation	407.2	461.4	528.7	67.3	14.6
Private demand deposits	617.5	725.1	814.0	88.9	12.3
Private time & savings deposits	460.1	558.7	596.7	38.1	6.8
Certificates of deposit	5.8	4.0	2.0	-2.0	-49.4

Source: Bank of Uganda

3.1.4. Net domestic assets

The net domestic assets of the banking system excluding revaluation changes increased by 37.5 percent to Shs 829.6 billion as at the end of June 2004. The government's net position with the banking system at the end of June 2004 was a borrowing amounting to Shs 184.2 billion, representing an improvement of 52.8 percent or Shs 206.2 billion over the borrowing level of end of June 2003. Claims on the private sector grew strongly by 17.9 percent or Shs 151.7 billion between June 2003 and June 2004.

3.1.5. Financial depth

During 2003/04, financial savings rose by 6.4 percent or by Shs 36 billion to Shs 598.7 billion from Shs 562.7 billion at the end of the previous financial year. However, as a ratio of M2A, financial savings declined slightly to 30.8 percent from 32.2 per cent in 2002/03. The ratio of currency in circulation as a proportion of Broad Money (M2A) rose to 27.2 percent from 26.4 percent a year earlier. Currency in circulation as a proportion of GDP rose slightly from 4.2 per cent to 4.4 percent. The ratio of Broad Money (M3) to GDP was stable at 21 percent over the same period, and monetary GDP as a percentage of total GDP was unchanged at 81.7 percent relative to 2002/03. These developments are summarised in Table 9.



Table 9: Measures of financial depth and developments of the banking sector

Financial aggregate	2000/01	2001/02	2002/03	2003/04
GDP (billion Shs)	9,210.3	9,412.3	10,870.8	12,121.5
Monetary GDP (billion Shs)	7,253.7	7,705.6	8,883.8	9,902.3
Broad money (M3, billion Shs)	1,583.7	1,925.4	2,373.4	2,593.2
Broad money (M2A, billion Shs)	1,193.4	1,490.6	1,749.2	1,941.5
Financial savings ⁴ (billion Shs)	360.4	465.9	562.7	598.7
Currency in circulation (billion Shs)	350.2	407.2	461.4	528.7
Memorandum Items				
Monetary GDP / Total GDP (%)	78.8	81.9	81.7	81.7
Broad money (M3)/Total GDP (%)	17.2	20.5	21.8	21.4
Broad money (M2A) / Total GDP (%)	13.0	15.8	16.1	16.0
Financial savings/M2A (%)	30.2	31.3	32.2	30.8
Financial savings/GDP (%)	3.9	4.9	5.2	4.9
Currency in circulation/M2A (%)	29.3	27.3	26.4	27.2
Currency in circulation/GDP (%)	3.8	4.3	4.2	4.4

Source: Bank of Uganda and Uganda Bureau of Statistics

3.2. The Financial sector

The financial sectors' performance, robustness, and safety improved further during the year. This was due to enhanced supervision of banks, consolidation in financial institutions, and better service delivery. Service delivery improved in terms of both quality and quantity. Increased competition has ensured the continued build up of public confidence in the financial sector and led to better services. The consolidation of the operations of Stanbic Bank following the resolutions of Uganda Commercial Bank Limited (UCBL) in February 2002 continued to be conducted in a diligent manner. However, the planned float of 20 percent of shares in the new bank for public purchase on the Uganda Securities Exchange (USE) was not implemented during the financial year under review. The effects of take-over have continued to spur competition in the financial sector leading to greater mobilisation of deposits, new product diversification and overall, improvement in services to the public. During 2003/04, the stock of credit grew by 17.9 percent continuing the strong growth of 23.9 percent recorded in 2002/03. This compares to growth of only 7.5 percent in 2001/02.

The new Financial Institutions Bill, which was approved by Parliament in April 2003 was signed into law by the President in March 2004. The law sets out new limits, regulations, requirements and penalties for commercial banks. The implication is that Uganda's financial institution legislation has now been upgraded to

⁴ Financial savings are defined as: total time and saving deposits plus certificates of deposits.



international best practice as set out in the Basle core principles for effective supervision and indeed will shape the development and deepening of the financial sector. The micro finance deposit taking institutions Act also became law in 2003/04. The BOU has issued regulations consistent with this Act, for the licensing, and supervision of micro-finance business in the country.

Improvement in strength and confidence in the banking system was evidenced by strong performance of the banking sector. Total assets of operating commercial banks grew by 14.1 percent to Shs 3,215.8 billion. Credit to the private sector continued to grow strongly during the period. Credit growth to the private sector was spurred by competition as well as by moves in commercial banks to minimise the impact of the reduced Treasury bill rates on their earnings. The continued shift in portfolio behaviour of commercial banks saw their liquidity reduced such that a decline in the overall liquid-asset ratio to 53.4 percent at end-June 2004 compared to 61.1 percent for end June 2003 was recorded.

The quality of assets of banks, as measured by the proportion of non-performing loans to total loans, improved from 8.0 percent in June 2003 to 1.6 percent in June 2004. However, the capital adequacy of the banking system, as measured by the proportion of total capital to risk weighted assets, declined only slightly from 20.5 percent to 19.0 percent over the same period.

Other innovations in the financial system included the introduction and further extension by some banks, of the Automatic Teller Machine (ATM) network to cover the majority of districts in the country. In addition, the number of micro finance institutions continued to grow, with the registered institutions numbering over 200. These institutions extended credit and other financial services to micro and small enterprises.

3.3. Commercial bank activities

3.3.1. Assets

The total assets of operating commercial banks increased by 14.1 percent to Shs 3,215.8 billion at the end of June 2004 from Shs 2,818.2 billion recorded in June 2003. Specifically, there was growth in the net foreign assets of commercial banks of 13.8 percent to Shs 683.7 billion during the financial year. Net domestic assets increased by 8.9 percent to Shs 1,629.5 billion. Outstanding claims on the private sector, excluding parastatals and local government, grew strongly by 16.3 percent or Shs 137.9 billion to Shs 986.5 billion, while net claims on the BOU fell by 11.2 percent or Shs 25.5 billion to Shs 252.7 billion at the close of the financial year. Cash in vaults increased by Shs 17.7 billion to Shs 76.6 billion while net claims on government fell by 5.3 per cent to Shs 554.3 billion. This was mainly on account of a rise in government deposits at commercial banks. Table 10 below summarises the developments in commercial banks' assets during the review period.



**Table 10: Commercial banks' assets
(Shs billion, at end of period)**

Asset type	June 2003	June 2004	Change June 2003 to June 2004	
			Absolute	Percentage
Net foreign assets	600.8	683.7	82.9	13.8
Net domestic assets	1,495.8	1,629.5	133.7	8.9
o/w Claims on private sector	848.6	986.5	137.9	16.3
Claims on government (net)	585.2	554.3	-30.9	-5.3
Cash in vaults	58.9	76.6	17.7	30.1
Claims on BOU (net)	227.2	252.7	25.5	-11.2
Other items (net)	-411.8	-501.4	-89.6	21.8

Source: Bank of Uganda

3.3.2. Liabilities

During 2003/04, the private sectors' deposits at commercial banks went up by 8.0 percent to Shs 2,064.5 billion reflecting in part aggressive deposit mobilization by commercial banks and the continued improvement in public confidence in the financial sector. Foreign currency deposits increased by 4.4 percent to Shs 651.7 billion, while Time and Savings deposits increased by 6.8 percent to Shs 596.7 billion. Private demand deposits increased by 12.3 percent to Shs 814.0 billion, during the review period, compared to a 17.2 percent increase during the previous year. Table 11 and Figure 5 below indicate movements in commercial banks' deposits.

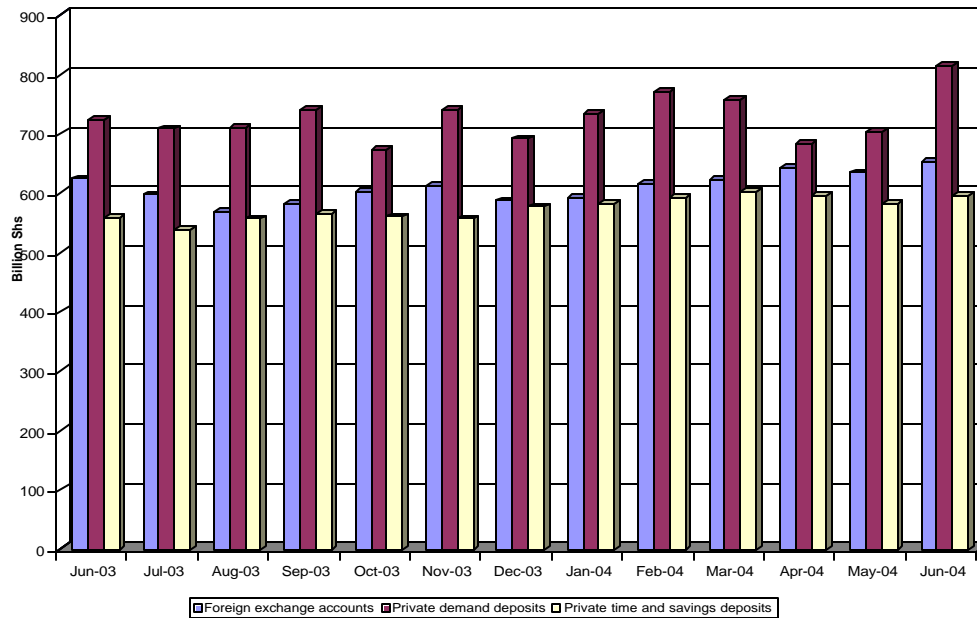
**Table 11: Non- bank deposits with commercial banks
(Shs billion, at end of period)**

Deposit type	June 2003	June 2004	Change June 2003 to June 2004	
			Absolute	Percentage
Foreign exchange deposits	624.2	651.7	27.5	4.4
Demand deposits	725.1	814.0	88.9	12.3
Time & savings deposits	558.7	596.7	38.1	6.8
Certificates of deposit	4.0	2.0	-2.0	-49.4
Total deposit liabilities	1,912.0	2,064.5	152.5	8.0

Source: Bank of Uganda



Figure 5: The evolution of deposits of commercial banks (Shs billion)



Source: Bank of Uganda

3.3.3. Outstanding loans and advances to the private sector

Table 11 indicates outstanding loans and advances categorised by economic sector. It shows that the total stock of credit to the private sector by commercial banks increased significantly during the financial year. Credit grew by 17.3 percent to Shs 1,000.0 billion in June 2004.

The evolution of outstanding credit was not uniform across sectors during the year. In particular, increases of 35.1 percent were recorded in agriculture, 16.5 percent in trade and other services, 2.7 percent in manufacturing, 50.6 percent in transport, electricity and water, 27.2 percent in and building and construction. However, a decrease in outstanding credit was recorded in the mining sector of 52.6 percent. The trade and other services sector continued to account for the largest share of credit from banks of 56.6 percent by the end of the review period, and the manufacturing sector in second place with 20.7 percent. Figure 6 shows the percentage distribution of loans to the private sector.

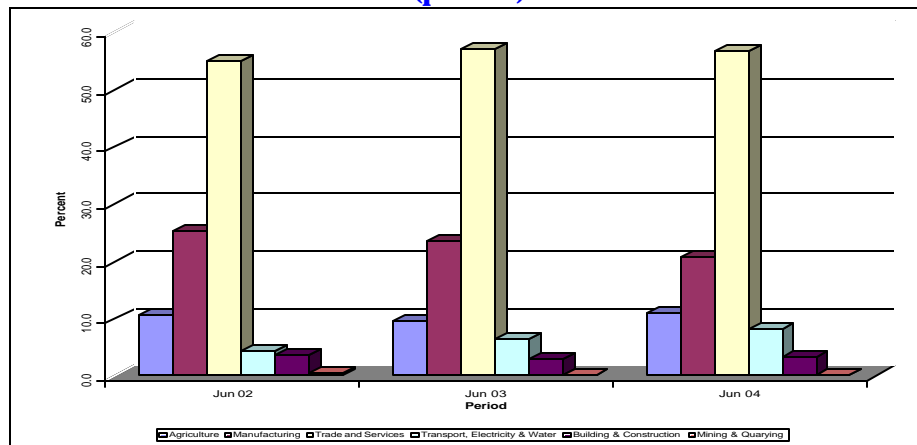


**Table 12: Outstanding loans and advances to the private sector
(Shs billion, at end of period)**

Sector	June 2003	June 2004	Change June 2003 to June 2004	
			Absolute	Percentage
Agriculture	82.6	111.6	28.9	33.1
Manufacturing	201.8	207.3	5.4	2.6
Trade and other services	485.8	565.9	80.0	16.4
Transport, electricity & water	54.0	81.4	27.3	50.6
Building & construction	25.9	32.9	7.0	27.2
Mining and quarrying	1.9	0.9	-1.0	-52.6
Total⁵	852.1	1,000.0	147.7	17.4

Source: Bank of Uganda

**Figure 6: The distribution of loans and advances to the private sector
(percent).**



Source: Bank of Uganda

3.4. Non-Bank Financial Institutions (NBFIs)

3.4.1. Assets

The financial year 2003/04 witnessed continued growth in the activities of the Non-Bank Financial Institutions. This was reflected in a 16.3 percent growth in total assets to Shs 153.8 billion from Shs 132.2 billion in 2002/03. This growth was mainly driven by increases in advances to the private sector, balances with Commercial banks and fixed assets. These improvements underpinned continued stability of the financial system. In 2003/04 advances grew by 21.6 percent compared to a growth rate of 14.4 percent recorded in 2002/03.

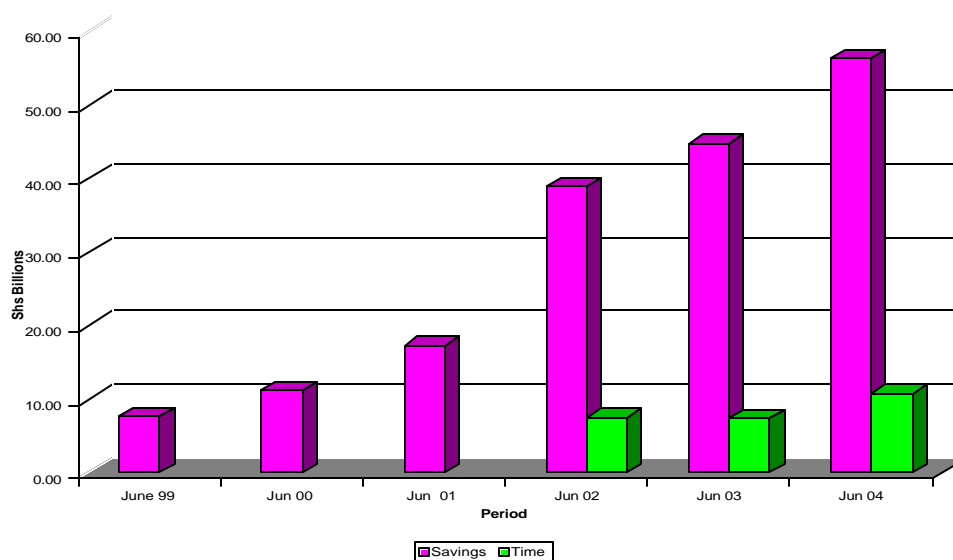
⁵ Includes lending to Parastatals and local governments. This amounted to Shs12.05 billion as at end June 2004.



3.4.2. Liabilities

During the financial year 2003/04, total deposits of the credit institutions increased by 26.2 percent to Shs 93.3 billion from Shs 73.9 billion in 2002/03. Total private sector deposits grew by 28.8 percent to Shs 67.1 billion, compared to 12.3 percent growth during the preceding year. The private sector time deposits went up by 48.4 percent to Shs 10.8 billion while the savings deposits increased by Shs 11.5 billion or by 25.1 percent to Shs 56.3 billion. The increase in savings deposits during 2003/04 was higher than the growth of 17.1 percent recorded in 2002/03. Figure 7 shows the developments in the deposits of NBFIs.

Figure 7: Private sector's deposits of non-bank financial institutions.



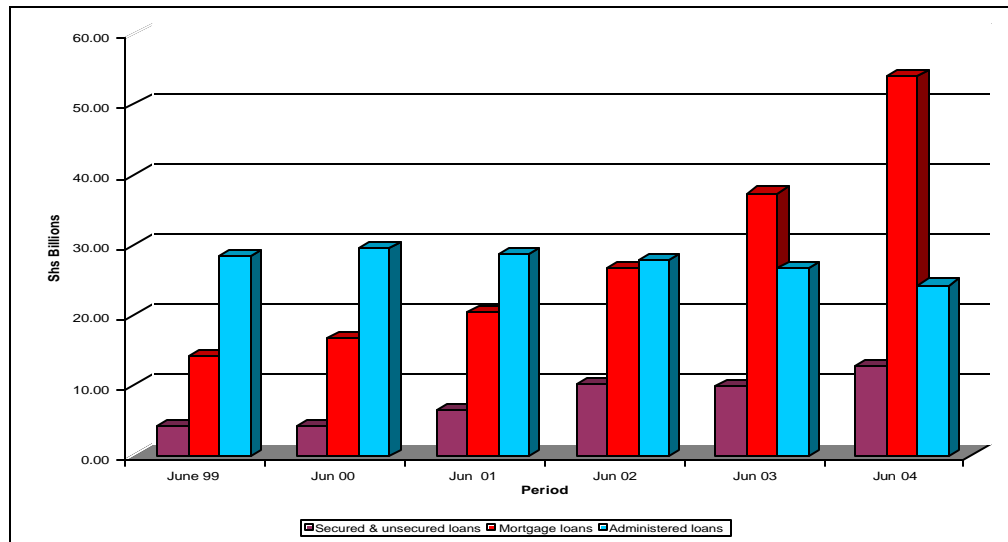
Source: Bank of Uganda

3.4.3. Loans and advances to the private sector

In the financial year 2003/04, the stock of outstanding loans and advances increased by 23.1 percent to Shs 91.0 billion from Shs 73.9 billion in 2002/03. The increase was mainly attributed to a 44.7 percent growth in mortgage loans. The building and construction sector claimed 82.7 percent of credit from the NBFIs. Figure 8 profiles the evolution of loans and advances.



Figure 8 Outstanding loans and advances of non-bank financial institutions.



Source: Bank of Uganda

3.4.4. Liquidity

During 2003/04, the liquidity position of NBFI's improved by 5.0 percent to Shs 41.5 billion from Shs 39.5 billion recorded in the previous year. Specifically, the balances of NBFI's at commercial banks grew by 38.9 percent to Shs 22.6 billion. Investments in other stocks and shares fell significantly from Shs 9.5 billion at the end of June 2003 to Shs 5.0 billion, and holdings of government securities from Shs 11.6 billion to Shs 11.2 billion, representing decreases of about 47.5 and 3.8 percent, respectively. Table 13 provides the composition of liquid aggregates of the institutions.

**Table 13: The Liquidity of non-bank financial institutions
(Shs billion, at end of period)**

Liquidity aggregate	June 2003	June 2004	Change June 2003 to June 2004	
			Absolute	Percentage
Cash in vaults	2.08	2.67	0.59	28.36
Treasury Bill holdings	11.62	11.18	-0.44	-3.79
Balance in commercial banks	16.30	22.64	6.34	38.91
Investment in stocks & shares	9.49	4.98	-4.51	47.54
Total	39.49	41.47	1.98	5.01

Source: Bank of Uganda



4.0. FISCAL OPERATIONS

4.1. Overview

In the fiscal year 2003/04, the government financial position reflected an improvement in the budget deficit excluding grants from 12.3 percent of GDP at factor cost in 2002/03 to 11.8 percent of GDP. The performance in respect of the government position occurred in spite of the increase in government expenditure during the period relative to the previous fiscal year. Table 14 indicates the developments in fiscal operations.

4.2. Revenue performance

Central government revenue including grants increased by about 30.3 percent to Shs 2,936.6 billion in 2003/04 from Shs 2,253.8 billion registered in 2002/03. As a share of GDP, government revenue and grants was estimated at about 24.3 percent compared to 20.7 percent in the previous year.

Excluding grants, government revenue increased by 16.4 percent to Shs 1,669.2 billion, up from Shs 1,434.0 billion recorded in 2002/03 when government revenue grew by 14.4 percent. As a ratio of GDP, the revenue collection amounted to 13.8 percent compared to 13.2 percent in 2002/03. Unlike in the previous year, the revenue collection by the Uganda Revenue Authority fell short of its programmed target for 2003/04 of Shs 1,690.9 billion by Shs 21.2 billion. The shortfall was largely caused by an under performance in the collection of Value Added Tax on domestically produced goods and of international trade taxes. Income tax revenue remained at about 25.3 percent of the total revenue in 2003/04.

Receipts from grants amounted to Shs 1,267.5 billion or 12.6 percent of GDP in 2003/04, which was higher than Shs 819.8 billion or 7.5 percent of GDP received in 2002/03. The delayed disbursement of some budget support grants in 2002/03 that actually materialised in 2003/04 together with disbursement of the World Bank Poverty Reduction Credit grant amounting to US\$ 152 million that was initially approved as a loan, served to raise the amount of grants in excess of what had been projected in 2003/04. Receipts from grants over performed by Shs 250.3 billion relative to the budget estimates and fully offset the shortfall in domestic revenue, thus raising the resource envelope above the estimates by Shs 228.4 billion.



4.3. Government expenditure

Government expenditure and net lending amounted to Shs 3,103.7 billion or 23.6 percent of GDP in 2003/04, representing an increase from 23.0 percent of GDP realised in 2002/03. This was mainly on account of recurrent expenditures which increased by 17.5 percent in 2003/04, equivalent of 0.5 percentage points of GDP, and also exceeded the annual projection by Shs 131.6 billion or 7.6 percent. In particular, expenditures on the non-wage component for public administration, security, and interest payments on domestic debt which increased relative to their 2002/03 levels, overshot their original budget allocations.

The wage bill, which was equivalent to 22.0 percent of the total government expenditure, increased by Shs 70.6 billion or 11.5 percent to Shs 682.9 billion in 2003/04. Payments of both domestic and external interest during the year amounted to Shs 261.7 billion or 8.4 percent of the total government expenditure, representing an increase of Shs 87.6 billion or 50.3 percent over the level of 2002/03. Development expenditure increased by 3.9 percent to Shs 1,186.8 billion from Shs 1,142.0 billion in 2002/03 and was on account of external development expenditure. Domestic development expenditure was lower than programmed since releases for development expenditure were below approved budget estimates due to low absorptive capacity and also accelerated release to statutory areas of the budget.

4.4. The Budget deficit and its financing

The overall budget deficit excluding grants as a percentage of GDP, that was recorded at 10.9 percent in 2002/03 remained at the same level in 2003/04. On a commitment basis, the deficit narrowed from 3.4 percent of GDP in 2002/03 to 1.3 percent of GDP in 2003/04. While the behaviour of the fiscal deficit reflected the increase in government expenditures, the slight improvement in domestic tax revenues helped stabilise the government position. Consistent with the national debt strategy, the deficit was mainly financed by net external inflows in form of grants and highly concessionary loans. The government also made a net repayment of Shs 22.3 billion to the domestic agents. This repayment reflected an improved position with the banking system, although this was in terms of accumulated payments to non-bank agents.



**Table 14: Uganda - Fiscal operations; 2002/03- 2003/04
(Shs billion)**

Categories	2002/03 Outturn	2003/04 Projected	2003/04 Outturn
Revenue and grants	2,253.8	2,708.0	2,936.6
Revenue	1,434.0	1,690.9	1,669.2
Grants	819.8	1,017.1	1,267.4
Total expenditure and net lending	2,770.1	3,142.3	3,103.7
Recurrent expenditure	1,586.5	1,732.9	1,864.5
Wages and salaries	612.3	672.8	682.9
Interest	174.1	227.8	261.7
Other recurrent 1/	800.0	832.2	920.0
Development expenditure	1,142.0	1,335.9	1,186.8
Domestic	459.9	536.9	439.1
External	682.1	799.0	747.7
Net lending and investment	-12.7	-8.0	-27.8
Overall deficit (commitment basis)	-516.3	-434.3	-167.1
Overall deficit (Excluding grants)	-1,336.1	-1,451.4	-1,434.6
Financing	536.3	434.3	167.1
External financing (net)	535.0	338.3	298.9
Domestic (net)	1,300	-96.0	-100.3
Banking system	-93.3	-76.0	-206.2
Non bank	94.6	-	105.9
GDP at factor cost (current prices)	11,798.3	13,241.7	13,167.7
Memorandum items (% of GDP)			
Total revenue & grants	19.1	20.5	22.3
Domestic revenue	12.2	12.8	12.7
Grants	7.0	7.7	9.6
Expenditure and net lending	23.0	23.7	23.6
Recurrent	13.6	13.1	14.2
Development	10.0	10.1	9.0
Overall deficit (commitment)	-3.9	-3.3	-1.3
Overall deficit (excluding grants)	-10.9	-11.0	-10.9

Source: Ministry of Finance, Planning and Economic Development.

1/ Non-wage, URA Transfers, Statutory, plus contingency.



5.0. EXTERNAL SECTOR DEVELOPMENTS

5.1. Balance of payments developments

Medium term external sector economic policies are expected to focus on spurring export-led private sector growth to enhance external sustainability. During the financial year 2003/04 government made efforts to ensure external viability by obtaining debt relief under the HIPC initiative. However, it is recognised that more sustainable steps to improve viability will emerge from promoting exports and improving debt management. Critical efforts in this direction will be the maintenance of the strategy of borrowing on only IDA equivalent terms, while efforts to increase the share of grants in total donor inflows will be implemented. Clear monitoring and operational procedures for contracting external debt and debt management will be required. In accordance with the Medium Term Competitiveness Strategy (MTCS) and Strategic Exports Program (SEP), efforts were made in 2003/04 to strengthen the investment climate, enhance Uganda's international competitiveness and reduce its external vulnerability.

During the period under review, the overall balance of payments recorded a surplus of US\$ 182.7 million. This was an improvement in the external position from a surplus of US \$ 55.8 million recorded in the fiscal year 2002/03. The improvement was due to a decline in the current account deficit which excluding official grants, was US \$ 856.3 million or 12.8 percent of GDP from a deficit of US\$ 869.1 million or 14.0 percent of GDP in 2002/03. This was also lower than the projected deficit of 13.7 percent of GDP. This development reflected an improvement on the net services and income account, and increased net private transfers, which mitigated the widening trade deficit. However, the deficit on the trade balance widened to US\$ 674.2 million from US\$ 622.7 million during the previous year despite an improvement in exports. Overall, there was an accumulation in foreign reserves by US\$ 169.2 million in 2003/04 to US\$ 1,133.4 million as at end June 2004⁶. Table 15 below provides a summary of the balance of payments for the period 2002/03 to 2003/04.

⁶ Excluding valuation, the build up in reserves was US\$143.4 million to US\$1107.6 million.



**Table 15: Balance of payments
(US\$ million)⁷**

	2002/03	2003/04
A. Current account balance (A1+A2+A3+A4)	-357.87	-141.80
A.1. Goods account (trade balance)	-622.66	-674.17
(a). Total exports (f.o.b)	507.91	647.18
(b). Total imports (f.o.b)	-1,130.58	-1,321.35
Services and income	-429.09	-387.30
A.2. Services account (services net)	-256.70	-212.36
(a). Inflows (credits)	269.33	344.79
(b). Outflows (debits)	-526.03	-557.15
A.3. Income account (income net)	-172.39	-174.94
(a). Inflows (credits)	20.26	40.14
(b). Outflows (debits)	-192.65	-215.08
A.4. Current transfers (net)	693.89	919.67
(a). Inflows (credits)	956.06	1,142.56
(b). Outflows (debits)	-262.18	-222.89
B. Capital & financial account balance (B1+B2)	413.67	324.46
B.1. Capital Account	0.00	0.00
(a). Capital Transfers Inflows (credit)	0.00	0.00
(b). Capital Transfers outflows (debit)	0.00	0.00
(c). Non produced non financial assets (credit)	0.00	0.00
(d). Non produced non financial assets (debit)	0.00	0.00
B.2. Financial account excluding financing items	413.67	324.46
(a). Direct investment	192.02	196.51
(i). Direct investment abroad	0.00	0.00
(ii). Direct investment in Uganda	192.02	196.51
(b). Portfolio investment	1.23	10.21
(i). Assets	0.00	0.00
(ii). Liabilities	1.23	10.21
(c). Other investment	220.42	117.73
(i). Assets	-18.10	-69.13
(ii). Liabilities	238.51	186.86
C. Overall balance (A+B)	55.80	182.65
D. Reserves and related items	-55.80	-182.65
(a). Reserve assets	-30.92	-143.37
(b). Use of Fund credit and loans	-41.76	-48.85
(c). Exceptional financing	20.36	9.24
(d). Errors and omissions	-3.47	0.33

Source: Bank of Uganda

5.1.1. Merchandise exports

Total exports of goods amounted to US\$ 647.2 million in 2003/04, equivalent to 9.7 per cent of GDP. This was an increase of 27.4 percent from US\$ 507.9 million realized in the preceding year. Coffee export receipts increased by 8.2 percent to US\$ 114.1 million in 2003/04, and represented 17.6 percent of the total value of exports. This growth in coffee export receipts was due to an increase in the realized average unit price from US\$ 0.6 per kilogram in 2002/03 to US\$ 0.7 in 2003/04. Export volumes of coffee, however, dropped to 2.6 million (60-kilogram) bags in 2003/04 from 3.0 million (60-kilogram) bags in 2002/03.

⁷ Effective June 2004, the capital and financial account is presented on a net basis.



Non-coffee export proceeds registered an increase of 32.5 percent to US\$ 533.1 million in 2003/04 from US\$ 402.4 million realized in 2002/03. All exports, except electricity, tobacco and beans registered increases in value. Gold export receipts rose by 21.4 percent to US\$ 58.5 million in 2003/04 from US\$ 48.2 million realized in 2002/03.

Receipts from exports of cotton increased to US\$ 42.84 million in 2003/04, which was more than twice the US\$ 16.9 million realized in 2002/03. This was mainly due to a significant rise in the volume of cotton exported in 2003/04 to 29.6 thousand metric tons from 16.4 thousand metric tons in 2002/03. Similarly, the realized average unit price of cotton increased to US\$ 1.5 per kilogram from US\$ 1.0 per kilogram over the same period. Tea exports rose by 33.3 percent from US\$ 29.5 million in the preceding period to US\$ 39.3 million in 2003/04. This was on account of a rise in both volume of tea exported and the realized average unit price per kilogram.

Export receipts from fish and its products (including regional exports) increased by 6 percent to US\$ 118.1 million in 2003/04 up from US\$ 111.4 million in 2002/03, on account of a rise in the volumes exported in 2003/04 to 61.2 thousand metric tons from 50.7 thousand metric tons in 2002/03. However, the realized average price of fish and its products exported outside the region⁸ dropped to US\$ 3.1 per kilogram in 2003/04 from US\$ 3.5 per kilogram realised in 2002/03, while the price of fish exports within the region is estimated to have declined by US\$ 0.13 to US\$ 0.9 per kilogram. Export receipts of hides and skins rose by 40.1 percent to US\$ 5.9 million in 2003/04 from US\$ 4.2 million in 2002/03. This was as a result of a rise in volume from 15.7 thousand metric tons in 2002/03 to 22.7 thousand metric tons in 2003/04.

Receipts from export of flowers rose by 59.4 percent from US\$ 17.0 million in 2002/03 to US\$ 27.2 million in 2003/04, as a result of an increase in the realized unit price from US\$ 3.6 to US\$ 4.5 per kilogram, and an increase in the volume of flowers from 4.7 thousand metric tons to 6.1 thousand metric tons during this period. Oil re-exports increased to US\$ 34.3 million from US\$ 11.7 million, while cobalt exports increased in value terms by 40.1 percent to US\$ 2.7 million, up from US\$ 1.9 million over the same period. The increase in cobalt export value was due to a rise in the realized unit price from US\$ 13.8 per kilogram in 2002/03 to US\$ 26.5 per kilogram in 2003/04.

Electricity exports declined by about 18.3 percent to US\$ 12.6 million, due to a fall in export volumes to 198.6 Gigawatts in 2003/04, down from 251.1 Gigawatts in 2002/03. Though export volumes declined, there was an overall increase in electricity generation by 6.3 percent in 2003/04 compared to an increase of 3.4 percent recorded in 2002/03. Earnings from tobacco exports declined by 9.4 percent to US\$ 36.2 million, down from US\$ 39.9 million realized in 2002/03. This was as a result of a fall in the realized average unit price of tobacco to US\$ 1.5 per kilogram from US\$ 1.7 per kilogram in 2002/03. The receipts from beans exported declined by

⁸This refers to fish exports to international markets in Europe, Asia and America.



11.4 percent to 4.9 million during the period, down from US\$ 5.5 million in 2002/03. This was largely on account of a fall in the export volumes from 19.2 thousand metric tons to 17.3 thousand metric tons. Table 16 below provides a summary of exports.

**Table 16: Developments in exports by commodity
(US\$ million)**

	2002/03	2003/04
Total exports	507.91	647.18
Coffee	105.47	114.13
Non coffee	402.44	533.05
Electricity	15.47	12.64
Gold	48.18	58.49
Cotton	16.88	42.84
Tea	29.46	39.25
Tobacco	39.89	36.16
Fish and fish products (excl. regional)	83.78	88.82
Fish and fish products (regional exports)	27.65	29.31
Hides and skins	4.18	5.86
Simsim	1.55	3.38
Maize	8.16	18.76
Beans	5.49	4.87
Flowers	17.04	27.16
Oil re-exports	11.69	34.32
Cobalt	1.92	2.69
Others	91.09	128.63

Source: Bank of Uganda

5.1.2. Merchandise imports

Total imports rose by 16.9 percent to US\$ 1,321.4 million in 2003/04 from US\$ 1,130.6 million in 2002/03. The oil import bill rose slightly by 3.5 percent from US\$ 134.4 million in 2002/03 to US\$ 139.2 million in 2003/04. Similarly, the private sector's non-oil imports rose by 19.3 percent to US\$ 1,021.4 million from US\$ 856.2 million in 2002/03 reflecting increased economic activity. Government imports rose by 14.9 percent to US\$ 160.8 million from US\$ 140.0 million in 2002/03.

5.1.3. Trade in services

The deficit on the services account improved by 17.3 percent to US\$ 212.4 million in 2003/04 from US\$ 256.7 million in 2002/03. This was due to an increase in exports of services from US\$ 269.3 million in 2002/03 to US\$ 344.8 million in 2003/04, representing an increase of 28.0 percent. Travel services contributed the largest share of service export receipts estimated at about 62.2 percent or US\$ 214.3 million.

Imports of services increased by 5.9 percent to US\$ 557.2 million during the period from US\$ 526.0 million in 2002/03. Payments for transportation services which



amounted to US\$ 224.4 million, accounted for the biggest proportion of total services imports at 42.6 percent.

5.1.4. Income

The deficit on the income account worsened marginally to US\$ 174.9 million in 2003/04 from US\$172.4 million in 2002/03. Income inflows increased by about 98.2 percent to US\$ 40.1 million during 2003/04, up from US\$ 20.3 million in 2002/03. Income outflows increased by 11.6 percent from US\$ 192.7 million in 2002/03 to US\$ 215.1 million in 2003/04. This was on account of increases in direct investment income expenses to US\$ 81.0 million and payments of interest on public debt to US\$ 37.0 million from US\$ 74.7 million and US\$ 29.1 million, respectively.

5.1.5. Current transfers

Net current transfers amounted to US\$ 919.7 million during 2003/04. This out turn was higher than US\$ 693.9 million recorded in the previous fiscal year. Current transfer inflows increased to US\$ 1,142.6 million during the period, up from US\$ 956.1 million in 2002/03. Current transfer outflows however, dropped to US\$ 222.9 million from US\$ 262.2 million in the preceding period. Official transfers to Uganda including grants and HIPC assistance increased to US\$ 714.5 million in 2003/04 from US\$ 511.3 million realized in 2002/03. Compared to the previous financial year, inward private transfers were largely unchanged at US\$ 428.0 million in 2003/04. Private transfers constituted approximately 20.0 percent of the total foreign exchange inflows to the private sector in Uganda.

5.1.6. The capital and financial account

The capital and financial account registered a surplus of US\$ 324.5 million in 2003/04 down from a surplus of US\$ 413.7 million recorded in 2002/03. Despite an increase in direct and Portfolio investment inflows to US\$ 196.5 million from US\$ 192.0 million in 2002/03 and US\$ 10.2 million from US\$ 1.2 million over the same period, respectively, a reduction in the disbursement of official loans lowered the surplus in this account to the amounts stated above. Disbursement of official loans declined from US\$ 306.6 million in 2002/03 to US\$ 222.1 million in 2003/04.

5.1.7. Reserves and related items

The level of foreign exchange reserves of the BOU, which includes valuation changes stood at US\$ 1,133.4 million at the end of June 2004, up from US\$ 964.2 million at the end of June 2003. The change of US\$ 169.2 million was partly attributed to increased net donor inflows during the financial year. As a result, foreign exchange reserves in terms of months of imports of goods and services remained at 6.2 months in 2003/04, the same level attained in 2002/03.



5.2. External debt

5.2.1. External debt management

The Government maintained its external debt management strategy of contracting only highly concessional financing during the financial year. The strategy requires a minimum of about 80 percent of new borrowing to be on IDA terms or better, a benchmark maturity period of 40 years, 10-year grace period, and 0.75 percent interest rate. The remaining amounts can be sourced on less favorable but still highly concessional terms. The terms set for the less concessional borrowing is 23-year maturity, 6-year grace period, and 2 percent interest rate. While efforts to obtain relief from non-Paris Club bilateral creditors on terms comparable to those provided by the Paris Club members were attempted during the year under review, no deals were struck.

5.2.2. External debt profile

Uganda's stock of outstanding and disbursed external debt was estimated at US\$ 4,464.9 million as at end June 2004. This represented an increase of approximately US\$ 249.4 million in nominal stock from US\$ 4,215.5 million recorded as at end June 2003. Total Debt stock as a ratio of GDP dropped marginally to 66.9 percent as at end June 2004 from 67.9 percent registered as at end June 2003. About 89.8 percent of the total external debt is owed to multilateral institutions, 8.5 percent to non-Paris Club bilateral creditors, and 1.6 per cent to Paris Club creditors. Table 17 below shows developments regarding Uganda's debt profile from June 2000 through to June 2004 while Figure 9 below shows the share of the total debt outstanding and disbursed by creditor.

**Table 17: Outstanding public debt by creditor
(US\$ million, end period)**

Creditor category	June 2000	June 2001	June 2002	June 2003	June 2004
Multilaterals	2,936.4	2,912.9	3,313.2	3,722.7	4,007.7
Bilateral non Paris Club	332.6	341.4	377.3	367.3	380.7
Bilateral Paris Club	260.6	123.0	111.4	125.5	69.1
Commercial	32.5	18.0	23.3	3.6	3.5
Other Loan	17.9	0.0	0.0	0.0	3.9
Total Debt Stock	3,580.0	3,395.3	3,825.2	4,215.5	4,464.9

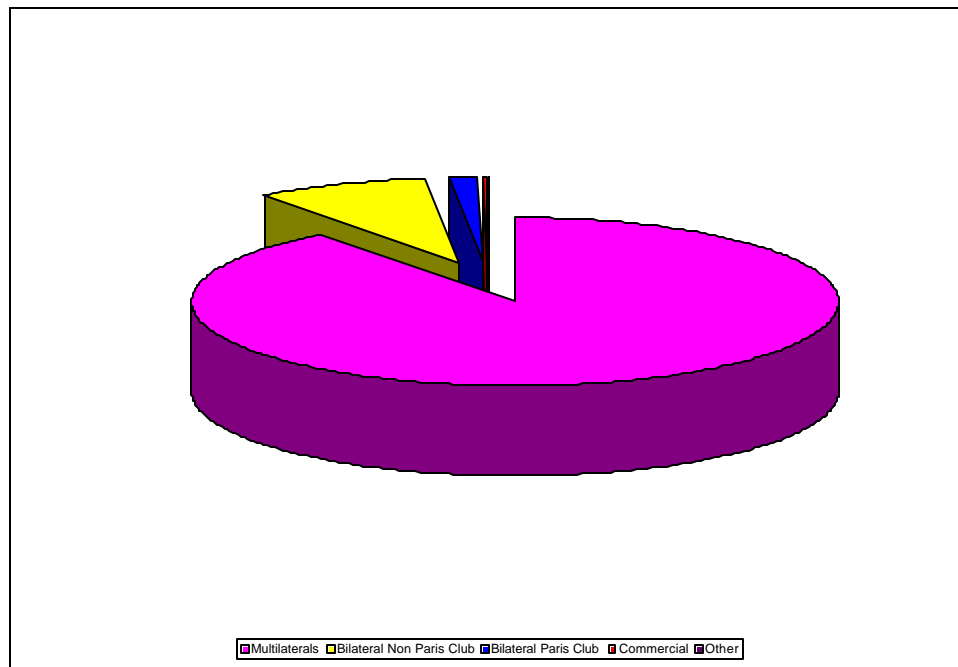
Source: Bank of Uganda and Ministry of Finance, Planning and Economic Development



5.2.3. Debt service

Total debt service⁹, excluding IMF obligations amounted to US\$ 105.7 million or 10.7 percent of total exports of goods and services. This was an increase of 17.4 percent from US\$ 90.0 million or 11.6 percent of total exports of goods and services in 2002/03. Total debt service (including IMF obligations) amounted to US\$162.0 million or 16.3 percent of total exports of goods and services, up from US\$ 135.1 million or 17.4 per cent of total exports of goods and services in 2002/03.

Figure 9: Composition of total debt by creditor



Source: Bank of Uganda

⁹ Total debt service on maturities and arrears includes cash payments, rescheduling and HIPC grants.



6.0. REAL SECTOR DEVELOPMENTS

6.1. Economic growth

The economy grew by 5.8 percent in real terms during 2003/04 on account of continued macroeconomic stability and relatively higher agricultural output. Higher agricultural output resulted from good weather conditions which aided the production of food crops. The growth in real GDP of 5.8 percent was higher than the growth rate of 4.9 percent recorded in 2002/2003 fiscal year. This translated in a higher growth rate of real GDP per capita of 2.2 percent compared to 1.8 percent registered in 2002/03. Monetary GDP registered a slight increase in growth of 6.0 percent in 2003/04 from 5.9 percent registered in 2002/03 while non-monetary GDP grew by 4.9 percent from a growth of 1.3 percent over the same period. Table 18 below provides the percentage growth rates by sector in real terms for the fiscal years from 1998/99 through to 2003/04.

Table 18: Percentage growth rates by sector in real terms

Sector	Fiscal Years					
	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Agriculture	5.8	5.8	4.6	3.9	2.3	5.2
Mining and quarrying	14.5	11.4	10.1	11.1	2.7	-1.2
Manufacturing	14.2	1.9	8.9	5.3	4.0	4.0
Electricity and water	5.3	7.9	8.2	5.4	4.7	6.8
Construction	10.2	10.1	1.9	11.7	12.2	7.8
Wholesale and retail	10.5	6.5	6.3	6.7	4.1	4.8
Hotels and restaurants	7.3	38.6	7.1	18.1	7.5	7.9
Transport and communications	6.9	11.1	9.6	12.4	14.9	14.4
Community services	4.4	7.5	3.5	6.4	5.0	4.5
Owner occupied dwellings	8.5	8.0	8.0	7.0	6.5	6.0
Total GDP	7.3	7.1	5.3	6.3	4.9	5.8
Per Capita GDP	3.8	3.6	1.8	2.8	1.4	2.2

Source: Uganda Bureau of Statistics

6.1.1. Agriculture

This sector recovered in the 2003/04 fiscal year and was mainly responsible for the rebound in total GDP performance. It grew by 5.2 percent compared to a 2.3 percent growth recorded in 2002/03 fiscal year. The growth in this sector was due to good weather conditions which increased production. Food crop production registered the highest growth rate of 12.4 percent in 2003/04, from the previous year's rate of 2.8 percent. On the other hand, production of cash crops slowed down from 4.6 percent in 2002/03 to 1.8 percent, partly because of a fall in coffee output. Coffee, which accounts for about 60 percent of total cash crop output, was partly affected by



the coffee wilt disease. The growth in Fish production also slowed down from 6.8 percent in 2002/03 to 6.4 percent in 2003/04. Livestock and forestry, however, registered marginal increases of 9.8 percent and 9.1 percent from 9.7 percent and 9.0 percent, respectively. Overall export receipts increased on account of better non-coffee export prices and higher export volumes. Non-coffee export volumes increased due to investments in fish processing plants, better management of tea estates and slightly lower freight charges. The share of agriculture in GDP fell marginally to 38.5 percent in 2003/04 from 38.7 percent recorded in 2002/03. The continued decline in the share of agriculture in GDP underpins the structural transformation of the economy, which will see the expansion of the services and industrial sectors in the medium term.

6.1.2. Wholesale and retail trade

The wholesale and retail trade sector grew by 4.8 percent in 2003/04 from 4.1 percent recorded in 2002/03. However, the growth rate in 2003/04 fell short of the 6.3 percent and 6.7 percent growth rates posted in 2000/01 and 2001/02, respectively. The increased domestic fuel costs that were partly driven by the relatively high and volatile world oil prices could explain the relatively slow growth rate recorded in the trade sector. The high oil prices could have increased production costs thus affecting this sector.

6.1.3. Manufacturing

The manufacturing sector grew by 4.0 percent in 2003/04 which was the same growth rate recorded in 2002/03. The performance in this sector was affected by weak consumer demand for domestically manufactured goods. Weak consumer demand mainly affected soft drinks, tobacco, paper products, printing, publishing, paints, plastic products, vehicle parts and chemicals component, which drive growth in formal manufacturing. The slower rate of expansion of the economy over the recent years appears to have led to a reduction in aggregate demand and stifled growth in output in the manufacturing sector. There was a slow down in the growth rate of informal manufacturing to 2.3 percent in 2003/04 from 3.8 percent posted in 2002/03.



6.1.4. Construction

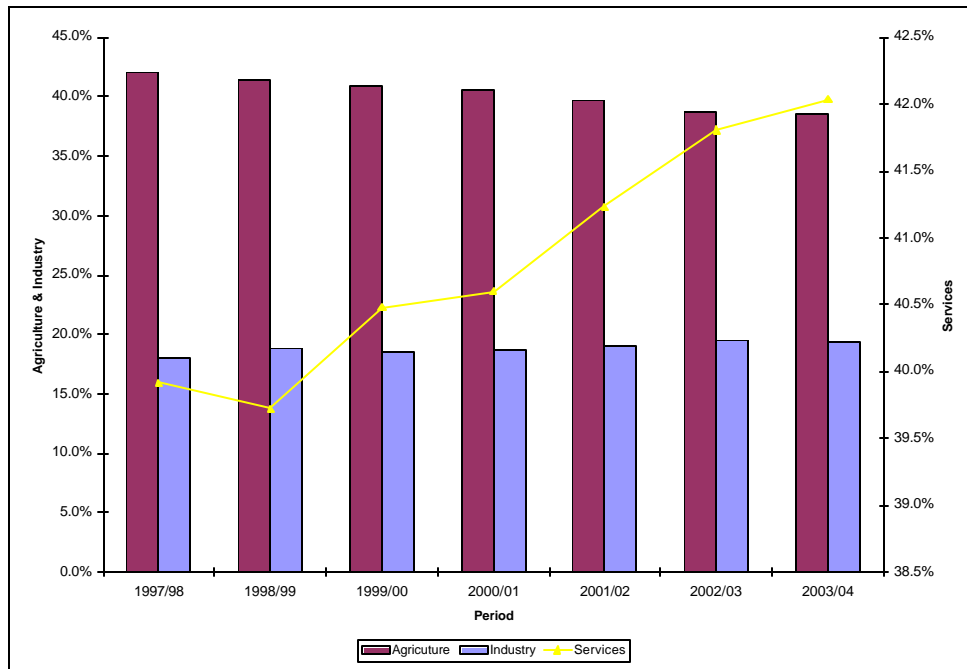
The construction sector's growth rate slowed down to 7.8 percent in 2003/04 fiscal year from 12.2 percent posted in 2002/03. This reduced growth rate was caused by increase in private construction costs. The lower growth rate in the construction sector was also explained by the decline in mining and quarrying sector which provides intermediary inputs into construction. The non-monetary portion of construction sector registered a modest drop in the growth rate to 3.4 percent in 2003/04 from 3.5 percent recorded in 2002/03.

6.1.5. Transport and communications

The growth rate of the transport and communication sector slowed down during the period under review. The decline in the growth rates of posts and telecommunication mainly explained this trend. This sector grew by 14.4 percent in 2003/04 down from a rate of 14.9 percent posted in 2002/03 due to a slow down in the number of new mobile phone subscribers. The Road and, air & support services sub-groups growth rates dropped marginally from 5.6 and 16.1 percent in 2002/03 to 5.0 and 16.0 percent, respectively in 2003/04. The Rail sub-group registered a growth of 5.4 percent in 2003/04 from a decline of 1.6 percent recorded in 2002/03 on account of increased export and import trade. In addition, the European Union provided funds for investment in rail repair and maintenance. This investment has led to the re-opening of some rail lines that were not operational in previous years. Figure 10 below shows the trend of the sectoral growth rates in composition of GDP from 1997/98 to 2003/04.



Figure 10: Trend of sectoral composition of GDP



Notes: Industry includes; Manufacturing, Electricity and Water, Construction and Mining and quarrying while services includes; Wholesale and retail trade, Community services, Hotels and Restaurants, Transport and Communication and Owner-occupied dwellings

Source: Bank of Uganda

The transformation of the economy in the medium term is expected to benefit from the positive contribution of the privatisation program. For example, efficiency and productivity gains were recorded in electricity generation. Electricity generation increased by 6.3 percent in 2003/04 compared to an increase of 3.4 percent recorded in 2002/03. The privatisation program is also credited for attracting new investors into the service sector, particularly in telecommunications. This resulted into transport and communications contribution to GDP increasing from 5.9 percent in 2002/03 to 6.3 percent in 2003/04. Increased investment in the railway sector as well as in the financial and real estate services is set to enhance the structural transformation of the economy that is already underway.



PART II

REPORT AND FINANCIAL

STATEMENT FOR THE YEAR

ENDED 30 JUNE 2004



REGISTERED ADDRESSES

PRINCIPAL PLACE OF BUSINESS & REGISTERED OFFICE

Plot 37/43
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P O Box 7120
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SOLICITORS

Mugerwa & Masembe Co. Advocates
P O Box 7166
Kampala

SECRETARY

Mrs. J. Kahirimbanyi
P O Box 7120
Kampala

AUDITOR

Auditor General
Finance Building
Apollo Kaggwa Road
P O Box 7083
Kampala

DELEGATED AUDITORS

PricewaterhouseCoopers
Communications House
1 Colville Street
P O Box 882
Kampala



STATEMENT OF VISION, MISSION AND VALUES

The Bank of Uganda (the Bank) as the central bank of the Republic of Uganda has a clearly stated vision, mission and values.

VISION

‘A monetary institution, which upholds international best practice in fostering price stability and a sound financial system conducive to macro-economic stability, economic growth and poverty eradication’

MISSION

‘To foster price stability and a sound financial system’

VALUES

The values of the Bank are:

- **Commitment to Public Interest :**

The Bank is committed to fulfilling the needs of the public.

- **Customer Service Orientation :**

The Bank takes pride in offering the best services to each of its customers.

- **Ethics and Integrity :**

The Bank is committed to rigorously uphold professional ethics and integrity in all its activities.

- **Transparency :**

The Bank accepts and welcomes public scrutiny of all its actions.

- **Leadership by Example :**

The Bank is committed to practicing what it preaches at both the organizational and individual levels.

- **Teamwork :**

The Bank is committed to team work within and across organizational divisions.

- **Fairness :**

The Bank is committed to the fair treatment of customers, employees, and other stakeholders.

- **Confidentiality :**



The Bank is committed to maintaining appropriate confidentiality in all transactions with its customers, employees, and other stakeholders.



Mr Emmanuel Tumusiime -Mutebile
Governor Bank of Uganda
and



Chairman of the Board of Directors and Finance Committee of the Board



BOARD OF DIRECTORS



Mr. David G Opiokello

Ag Deputy Governor.

Deputy Chairman of the Board.

Chairman of the Staffing Committee.

Member of :

Works Committee and

Finance Committee of the Board



Mr. Blasio Kiiza

Retired Banker

Member of the Board.

Chairman of the Audit Committee.

Member of :

Works Committee

Finance Committee and

Staffing Committee of the Board



Mr. J. Waswa Balunywa

Principal Makerere University Business School

Member of the Board.

Chairman of the Works Committee and the Investment Sub-Committee of the Board of Trustees of the Bank's Staff Retirement Benefits Scheme.

Member of :

Audit Committee

Finance Committee and

Staffing Committee of the Board



Mr. C. Manyindo Kassami

Permanent Secretary and Secretary to the Treasury,
Ministry of Finance,
Planning and Economic Development.
Member of the Board and Member of the
Finance Committee of the Board.



Dr. G. Sebunya Muwanga

Lecturer, Institute of Economics, Makerere University
Member of the Board.
Member of :
Works Committee,
Audit Committee,
Finance Committee and
Staffing Committee of the Board.



Mrs. J. Kahirimbanyi

Board Secretary.
Secretary to;
Works Committee
Audit Committee
Finance Committee and
Staffing Committee of the Board.



MANAGEMENT OF THE BANK

EXECUTIVE MANAGEMENT

Governor, Mr. Emmanuel Tumusiime-Mutebile ;

Terms of appointment: Holds office for a contract term of five years and is eligible for reappointment.

Appointed by the President of Uganda.

Deputy Governor (Acting, see note below), Mr David G. Opiokello

Executive Directors

Mr. Joram Kahenano
 Mrs Ruth Emunu
 Mr. Stephen Turyahikayo
 Dr. Polycarp Musinguzi
 Mr. Edward Katimbo - Mugwanya
 Mr. Jonathan Wanderema - Nangai
 Dr. Marios Obwona

Function

Administration
 Bank Supervision
 Chief Internal Auditor
 Economic Advisor to the Governor
 Finance
 Operations
 Research

SENIOR MANAGEMENT

Director/Head of Department

Mr. Johnson Mubangizi
 Mrs. Margaret Matovu
 Mrs. Janet Kahirimanyi
 Mr. Patrick Ben Kagoro
 Mrs. Justine Bagyenda
 Dr. Henry Opondo
 Mr. Patrick Byabakama Kaberenge
 Mrs. Naomi Nasasira
 Mr. Joseph Kanyike
 Mr. Elias Kasozi
 Mrs. Eva MweneBirinda
 Miss Deborah Kabahweza
 Mr. Joseph Bossa
 Mr. Richard Mayebo
 Dr. Apollo Kaggwa
 Mr. Elliot Mwebya
 Mr. Anthony Opio
 Mr. Juma Yusuf Walusimbi
 Dr. Michael Atingi- Ego
 Mr. Emmanuel Kalule
 Dr. E.S.K. Muwanga-Zake

Department

Administrative Services
 Banking
 Board Secretariat
 Chief Accountant
 Commercial Banking
 Corporate Services Office
 Currency
 Development Finance
 Domestic Financial Markets
 External Operations
 Human Resource
 Internal Audit
 Legal Counsel
 Management Information Systems
 Medical
 National Payments Systems Secretariat
 Non Banking Financial Institutions
 Public Relations Office
 Research
 Security
 Trade and External Debt

Note: The Deputy Governor, Dr Louis Kasekende was during this period on secondment to the World Bank as Executive Director.



CORPORATE GOVERNANCE STATEMENT

The Bank is committed to the principles of good corporate governance. This requirement is achieved through checks and balances that ensure that the values of transparency, professional and ethical conduct, teamwork, fairness and integrity in all its activities are upheld.

The Bank carries out its work through various Board and management committees. The Bank's compliance with the principles of good corporate governance is reflected through a properly constituted Board of Directors, Board Committees and management sub-committees.

REGULATORY PROVISION

The Bank of Uganda Statute 1993 states that the governing body of the Bank shall be a Board of Directors whose duties are to:

- i. oversee the general management of the affairs of the Bank;
- ii. ensure the functioning of the Bank and the implementations of its functions; formulate the policies of the Bank;
- iii. do anything required to be done by the Bank under the Statute; and
- iv. do anything that is within, or incidental to the functions of the Bank.

The Board of Directors consists of:

- i. The Governor who is the Chairman;
- ii. The Deputy Governor who is the Deputy Chairman;
- iii. The Secretary to the Treasury; and
- iv. Not more than four non-executive Directors.

The Governor, Deputy Governor, and Board Directors are appointed by the President with the approval of Parliament and hold office for a renewable five year term. At least 10 meetings of the Board must be held in one financial year.

BOARD COMMITTEES

The Board constituted a number of committees for the effective discharge of its duties. The committees are the Staffing, Finance, Audit, and Works committees.

(a) Staffing Committee

The Staffing Committee includes the Deputy Governor as Chairman, three non-Executive Directors with the Board Secretary providing secretarial services. The Executive Director Administration attends the meetings while other senior staff may attend by invitation. The committee considers management proposals for recruitment, promotion, training, discipline and all other relevant staff matters affecting the operations of the Bank before they are presented to the main Board for approval. Although meetings are held quarterly, special meetings may be held depending on the need.



(b) Finance Committee

The Finance Committee includes the Governor as Chairman, the Deputy Governor as Deputy Chairman, the Secretary to the Treasury, and three non-Executive Directors. The Board Secretary is the secretary to the committee. The Executive Director Finance may attend meetings on invitation. Meetings are held on a quarterly basis but special meetings may be convened when necessary. The Committee reviews the budget presented by the management and reviews performance reports of the Bank against the approved budget, before presentation to the Board. The Committee supervises the Bank's financial discipline by examining financial plans, commitments and budgets presented by management. The Committee also reviews budget performance reports.

(c) Works Committee

The Works Committee includes the Deputy Governor, three non-executive Directors (one of whom is Chairman). The Board Secretary is the secretary to the committee. The Executive Director Administration and any other senior staff or consultant may attend meetings on invitation. Meetings are held on a quarterly basis but special meetings may be convened depending on the committee's work programme for the year or to review on-going projects and reports. The terms of reference of the committee are to oversee and monitor construction and major maintenance work projects and office/residential buildings of the Bank, and to screen all proposals for major capital projects, property acquisition and disposals before they are presented to the main Board.

(d) Audit Committee

The Audit Committee is made up of three non-executive Directors (one of whom is the Chairman) with the Board Secretary as the secretary to the committee. The Chief Internal Auditor and a representative of the external auditors attend the Audit Committee meetings. Meetings are held on a quarterly basis but special meetings can be convened whenever necessary. The terms of reference of the committee are to assist the Board to fulfil its fiduciary responsibilities by providing assurances as to the quality and integrity of the financial data and any other data that the Bank provides to the Board, policy makers, regulatory entities, development partners and the public. The committee also determines the scope of work of the Internal Audit Function. The Internal Audit Charter provides the framework for the operations of the Audit Committee and enhances the independence from management of the internal audit role within the Bank.

MANAGEMENT COMMITTEES

Bank management has a number of management committees to ensure co-ordinated policy developments and their implementation after Board approval. The committees engender teamwork and tap expertise throughout the Bank. The management committees are:

(a) Executive Committee

The Executive Committee (Excom) of management includes the Governor as Chairman, the Deputy Governor as Deputy Chairman, all Executive Directors and the Board Secretary as its secretary. Senior staff may attend by invitation. Meetings are held on a weekly basis. The terms of reference of the committee are to initiate and propose Bank



policies to the Board and its committees. The committee is also responsible for overseeing the implementation of Bank policies as well as the operations of the Bank.

(b) Monetary and Credit Policy Committee (MCPC)

The Monetary and Credit Policy Committee (MCPC) has the following membership: the Governor (Chairman), the Deputy Governor (Deputy Chairman), all Executive Directors, and the Director Research (secretary). In attendance are the Board Secretary and the Directors of the following departments; Banking, Commercial Banking, Public Relations, Domestic Financial Markets, Trade and External Debt Department, Development Finance Department, Legal, External Operations. Other senior staff may attend if invited.

The terms of reference are to:

- i. formulate and direct the conduct of monetary policy in order to deliver price stability and support government objectives for sustainable growth;
- ii. direct the conduct of the financial markets operations;
- iii. ensure that liquidity conditions in the money market are consistent with the broad objective of price stability;
- iv. review developments in the foreign exchange market and formulate policies to promote stability in the market;
- v. seek harmonisation and coordination of fiscal policies with monetary policies to support macro economic stability; and to
- vi. address any other issues that have implications for the stability of the macro-economy, including appraising policy recommendations from the Bank's functions, Government departments and other fora.

The committee meets on a weekly basis to review market developments and to take monetary policy and credit decisions.

(c) Tender Committee

The Tender Committee comprises the Deputy Governor as Chairman, all the Executive Directors and the Director Administrative Services who acts as secretary. The terms of reference of the committee are to provide standards and procedures for transparent procurement of goods, stores, materials, equipment, construction works and contractors, buildings, capital goods, currency notes and coins, consultants and services and any other matter incidental thereto in pursuance or connected with Bank business in an efficient and cost effective manner. The committee invites tenders publicly through a transparent bid process, evaluates the bids and then awards contracts for the supply of goods and services to successful bidders in line with approved policies, rules and regulations.

(d) Payment System Policy Committee

The Payment System Policy Committee (PSPC) consists of the Governor who is Chairman, the Deputy Governor as Alternate Chairman, the Executive Directors of Finance, Research and Operations and the Directors of Management Information Systems (MIS), Research, Banking and Commercial Banking and the Economic Advisor to the Governor. The National Payment System Secretariat (NPSS) acts as secretary to the PSPC. The Bank constituted the PSPC to guide, oversee and direct the payment system development process.



The Bank liaises closely with the members of the Uganda Bankers Association to enable the smooth co-ordination and implementation of new rules, regulations and products in the National Payments system.

(e) Management Committee on Projects

The Management Committee on Projects (MCP) is made up of the Deputy Governor who is the Chairman, Executive Director Administration, Executive Director Finance, Chief Accountant, Director Administrative Services, and Director MIS. The committee promotes the efficient implementation of all Bank projects. It establishes guidelines for approving projects in the budget, scrutinises projects before acceptance, sets the prioritisation and methodology for the management of each project; evaluates on-going projects; and conducts ex-post evaluation of finished projects.

(f) Information Security and Contingency Committee

The Information Security and Contingency Committee (ISCO) has a wide membership in order to ensure effective representation of all relevant stakeholders. The committee comprises the Deputy Governor (Chairman), Executive Director Finance (Alternate Chairman) an Information Security Officer, representatives from the each of the following Departments - MIS, Internal Audit, Legal, Security, Administrative Services and the following Functions - Operations, Administration, Finance, Research, and Supervision. This committee steers and oversees the implementation and evolution of the Bank's information security policy. Additionally, the committee represents the user community in the Bank in matters related to information security and disaster recovery and provides feedback to the Bank on the impact of the initiatives of the Information Security Officer on the Bank's operations.

(g) The Medical Board

The Medical Board comprises seven members who are external consultant doctors with one of them as chairman and the Director Medical Department who is its secretary. The committee advises the Governor on medical policy and treatment of staff outside the country.



Environment at Work And Reporting

The Bank's commitment to transparency to the public and to all stakeholders is reflected in its regular reporting on monetary and credit policy developments in the economy; the financial sector policies, regulations and developments; annual financial audited statements that present the Bank's financial performance and position; and other press releases in the media in a full and transparent manner.

Corporate governance is further underpinned by regular internal and external management reports derived from the robust management information system that has been established by the Bank. In order to assist the public to deal with the Bank in a transparent way, the Bank created a web page on the internet where a wide range of information is available. This information is continuously updated.



Environment at Work And Reporting

The Bank's commitment to fairness to its staff is reflected in the provision of safe and secure premises for Bank staff, workmen's compensation insurance and the provision of up to date medical facilities. The Bank operates an open staff performance appraisal system and listens to ideas presented by staff through a variety of channels. Members of staff are required to observe a code of conduct set out in the personnel rules, regulations and procedures.

The Bank's commitment to transparency to the public and to all stakeholders is reflected in its regular reporting on monetary and credit policy developments in the economy; the financial sector policies, regulations and developments; annual financial audited statements that present the Banks financial performance and position; and other press releases in the media in a full and transparent manner.

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RISK MANAGEMENT STATEMENT

The Board of Directors has the ultimate responsibility for risk management at the Bank. The Board meets this responsibility through the approval of both operational and long term strategic objectives. The Board also sets the tone at the top, designs and approves policies, guidelines, procedures and organizational structures and ensures that there is general understanding of internal control responsibilities.

The Board recruits and ensures that staff possesses the requisite skills and competencies to handle risk management and internal control issues. The Board monitors and evaluates risk management activities through management reports and internal and external audit reviews.

During the year, Bank wide risk identification and assessment exercise was carried out. The purpose of the exercise was to compile a bank wide risk profile for the Bank. The following are the key risks that were identified and assessed:

OPERATIONAL RISK

This is the risk of direct or indirect financial loss arising from inadequate or failed internal processes, people and systems or from external events and/or unforeseen catastrophes. The Bank addresses this risk through institution of effective internal controls, technology development and maintenance programmes, internal audit processes and management oversight.

REPUTATIONAL RISK

This is the risk that the reputation of the Bank may be negatively affected by inappropriate management action or release of sensitive information to unauthorized persons or the public. The Bank's functions of managing the country's macro-economic monetary policy and supervising the financial sector necessarily expose it to taking uncertain and at times unpopular decisions.

The Bank manages the risk by ensuring that there is transparency in handling the monetary policy operations and by ensuring all stakeholders are given appropriate timely information. The supervision of banks is based on known standards/principles and there are regular meetings with the key players in the banking industry.

CUSTODIAL RISK

This is the risk that the Bank custodians would not deliver instruments when required to do so or when the Bank could incur a financial loss in discharging its custodial responsibilities. The risk exists in Banking, External Operations and Trade and External Debt Departments. The risk is managed through duly agreed performance benchmarks, management oversight and provision of performance reports.

LEGAL RISK

This is the risk that financial losses will accrue from contracts which are not enforceable or which cannot fully protect the Bank from claims. The risk could also arise from penalties for failure to comply with certain laws, statutes and regulations. The risk exists in Legal,



Commercial Banking Supervision, Trade and External Debt and National Payment Systems as well as Administration departments /units. The risk is managed by ensuring compliance with statutory and regulatory requirements and by recruitment and retention of qualified legal staff to advise the Bank.

BUSINESS CONTINUITY RISK

This is the risk that an unforeseen event could occur and the Bank will not continue with some or all of its operations. The Bank manages this risk through the operations of the Information Security and Contingency Committee. The committee has identified the Bank mission critical operations which include banking, monetary policy, clearing house, securities trading, reserve management, financial accounting and human resource management. A Business Continuity Plan is being tested while a Business Resumption Site has already been identified. A data recovery site has been set up and is operational and the necessary backup information is sent to the site regularly.

MARKET RISK

The Bank is exposed to market risk principally through interest rate risk, exchange rate risk and commodity price risk. This risk arises from movements in the market due to demand and supply.

The effect of this risk is minimised by slicing up the portfolio into liquid, emergency liquid and investment tranches, setting global duration and deviation margins, review of investment performance benchmarks, and anticipation of market trends and appropriately positioning the portfolio within allowable parameters.

LIQUIDITY RISK

This is the risk of being unable to meet financial commitments or payments at the correct time, place and in the required currency. The Bank does not face Uganda shilling liquidity risk. The risk exists in External Operations department and is managed by setting prudent benchmarks for foreign reserve management with an investment strategy that ensures the portfolio of foreign reserves is sufficiently liquid to meet external debt financing, government imports and intervention in foreign exchange markets when need arises.

CREDIT RISK

Credit risk is the risk of financial loss due to the inability or unwillingness of a counter-party to meet its contractual obligations. Settlement risk is the risk of a loss arising from failure of a counter-party to settle for any other reason other than inability to pay. The risks are managed in accordance with approved Board policy and procedures. The policy and procedures cover risk identification, measurement, control, as well as regular monitoring and reporting. Credit risk policy covers among other things sovereign risk, instrument risk, (quality and type), counter-party risk, and overall exposure limits. Counter-party exposure risk is monitored and reviewed monthly and variations are submitted to the Board for approval as and when it becomes necessary.



MAJOR OPERATIONAL DEVELOPMENTS DURING THE YEAR

REGULATION AND SUPERVISION

Commercial Banking

The Bank supervises commercial banks in order to enforce compliance with statutory and prudential regulations and guidelines directed at fostering a sound and stable banking sector that is efficient and competitive, and where depositors' funds are safe. The Bank continued to conduct full scope on-site examinations of all banks, at least once a year and a risk based supervision methodology to on-site examination has extensively improved the assessment of the banks' activities and their financial condition. Commercial banks were required to develop Risk Management Programmes in which they identify the various risks inherent in their products and services and put in place systems to measure, monitor and control these risks. These programmes were reviewed in accordance with the risk management guidelines issued earlier, and the findings of the risk profiles of banks established during on-site examinations.

During the year, the Bank implemented electronic submission of statutory returns from commercial banks. This improved on the accuracy and timeliness of these returns and as a result, the off-site analysis is now timelier. The depth of analysis was also enhanced by the introduction of new off-site ratios and reports. The Bank continued to subject the annual accounts of commercial banks to review in order to ensure that supervisory findings were incorporated in the accounts and that, the commercial banks reported correctly in the published accounts in accordance with the law and International Financial Reporting Standards (IFRS).

The Early Warning System project commenced during the year and was aimed at identifying the most significant predictive variables and indicators for bank weaknesses and alert regulators before such weaknesses develop into major catastrophes. The project under GTZ/SIDA Financial System Development Programme was being developed by consultants from Bankakademie in Germany. The Early Warning System derives its predictive capabilities from historical data collected over time. The first task therefore, was the building of a comprehensive database before development of the models to be used in the system.

The liquidation of closed banks continued to be carried out by the Bank. PricewaterhouseCoopers, KPMG and Jasper, Semu & Co were selected to carry out an external audit of the liquidation process and are expected to complete the exercise by December 2004.

The Financial Institutions Act (FIA) was passed by Parliament in November, 2003 and became law effective March 26, 2004 following its assent by the President. The new law was a major update of the Banking sector legislation, that will ensure that banks are managed in a safe and sound manner. The Bank revised extensively the existing



regulations and drafted new ones in order to implement the new law. Eight core regulations were forwarded to the Minister of Finance, Planning and Economic Development for clearance and gazetting and more regulations are being prepared.

The Non-Banking Financial Institutions

The Bank also monitors and enforces compliance with statutory and prudential regulations and guidelines directed at fostering sound, non-banking financial institutions. During the year, the Bank supervised the operations of the credit institutions through off site surveillance and on-site examinations. All credit institutions were examined, at least once during the year and prompt remedial measures implemented to deal with issues of supervisory concern.

The Micro Deposit Taking Institutions Act was gazetted in September 2003, and the Bank prepared the draft implementing regulations. The First Parliamentary Counsel reviewed the implementing regulations prior to gazetting. At the close of the financial year 2003/4, the regulations had been forwarded to the Uganda Printing and Publishing Company for gazetting. During the period under review, the Bank inspected two Micro-Finance Institutions in preparation to start licensing deposit-taking institutions.



DEVELOPMENTS AND TRENDS IN DOMESTIC FINANCIAL MARKETS ¹⁰

Developments in the Domestic Financial Markets

The Bank's interest in the development of the Treasury securities market is driven by the following objectives:

- (i) Conduct of open market operations to meet monetary policy objectives.
- (ii) Provision of benchmark reference yields and prices to facilitate the pricing of other financial products, particularly private sector corporate bonds.

Financial Market Consultative Forum

To co-ordinate policy formulation, the Bank facilitated the creation of the Financial Markets Consultative Forum. The various stakeholders in the financial markets, including banks, insurance companies, pension providers, micro-finance organizations, etc, are brought together under this forum to discuss policy issues and co-ordinate the process of policy formulation. The Forum will endeavour to address any conflicts with the policy proposals submitted by the stakeholders. The Forum will compile the submissions of policy proposals in one document and arrange to participate in the structuring of policy proposals for the upcoming national budget with the Minister of Finance, Planning and Economic Development on an annual basis.

¹⁰ The Domestic Financial Markets for this annual statement is defined as the primary and secondary markets for Treasury securities, the market for the Repurchase Agreements (REPOs) and the Shilling Inter-bank market



TRADE AND EXTERNAL DEBT DEVELOPMENTS

The Bank manages the database for the public and publicly guaranteed external debt, monitors external flows and supervises foreign exchange bureaux.

(a) Private sector capital flows

In 2003/04, the Bank together with Uganda Investment Authority and the Uganda Bureau of Statistics carried out a joint survey to monitor foreign private capital flows and investors' perceptions in 2001. The findings indicated that the total stock of private sector foreign liabilities increased from US\$944.3 million in 2000 to US\$1101.6 million in 2001. Foreign Direct Investment (FDI) accounted for US\$962.3million, representing 87.4% of the total in 2001.

Major sources of the stock of FDI in 2001 were U.K., Bermuda, South Africa and Kenya. The book value of the stock of FDI from these four countries accounted for 63% of the total stock.

The major sources of equity inflows during 2001 were USA with US\$39.6m or 31%, Ethiopia with US\$16.2m or 17%, and the United Kingdom with US\$14.4m or 15% respectively in terms of book value. These three sources of equity inflows accounted for 63 % of total equity inflows in 2001. The wholesale, retail trade, catering and accommodation services sector attracted most of the foreign direct equity investment in 2001 amounting to US\$30.1 million or 32% of the total. The net profitability of FDI in 2001 amounted to US\$66.7 million as compared with US\$58.5 million reported in 2000. Most of the profits (34.4%) were generated by the financial sector, followed by the wholesale sector (24.7%) and the manufacturing sector (14.8%).

Foreign Portfolio Equity Investment (FPEI) increased by 12.3%, from US\$6.5 million in 2000 to US\$7.3 million in 2001. The survey findings indicate that the general domestic environment was conducive to investment, although a number of constraints were identified namely; high production costs, low market demand, unfair competition due to smuggling and corruption, power fluctuation and high cost of borrowing.

The stock of Private Sector External Debt (PSED) including inter-company loans decreased from US\$ 397.9 million at the end of 2000 to US\$ 394.0 million as at the end of 2001 and was mainly from long term loans contracted from related companies. Debt service during the same period is estimated at US\$144.4 million compared to US\$ 117 million in the year 2000 representing an increase of 23.4 %.

(c) Stock of External Debt

Uganda's stock of official external debt disbursed and outstanding as at the end of June 2003 was US\$ 4.22 billions. It represents an increase of 10.3% in total debt stock since 30th June 2002. Dis-aggregation by creditor category shows that 88.2% (US\$3.721 billions) of the outstanding stock of external debt is owed to multilateral creditors with the major creditors being IDA, ADB/F and IMF who account for 84% (US\$3.544 billions) of the total the stock. Increased borrowing from these creditors is due to Government policy of



borrowing on highly concessional terms, which can only be offered by these creditors presently. The provisional stock of external debt as at end June 2004 was US\$4.46 billion representing an increase of 5.91% from the 2002/2003 stock.

The share of debt owed to bilateral creditors continues to decline and was recorded at US\$491.92 million, representing 11.7% of the total debt stock at end June 2003. The bulk of this debt (75%) is owed to bilateral Non-Paris Club creditors including Libya, India, Nigeria, and Tanzania, among others of which a substantial proportion is in form of technical arrears. On the other hand, the proportion debt owed to bilateral Paris Club creditors such as France, Spain, UK, Austria and others has continued to decline as a result of the HIPC relief agreements concluded with most of these creditors. Furthermore, no new borrowing has been received from these creditors. However, a number of them such as Ireland, Netherlands, Japan, and the UK have continued to provide Uganda with aid in form of grant.

HIPC Debt Relief Delivery

The HIPC initiative was based on the principal of equal burden sharing and all creditors with outstanding debt as at June 1999 were required to provide debt relief. In addition to the earlier debt relief received from most of its multilateral creditors, Uganda in 2003/04 successfully concluded negotiations for debt relief with the East African Development Bank (EADB). Negotiations were also held with the Organisation for Petroleum Exporting Countries (OPEC) fund, although Parliament is yet to approve the concessional new loan meant to service the rescheduled debt. The Preferential Trade Area (PTA) Bank is the only outstanding creditor under this category where little progress towards getting debt relief has been made.

Under the HIPC initiative, Uganda was to obtain debt relief amounting to US\$347 million in Net Present Value terms. Subsequent debt sustainability analyses revealed that enhanced HIPC debt initiative of US\$ 656 million in NPV terms (Multilateral creditors: US\$546 million, Bilateral Paris Club Creditors US\$71.8 million and Bilateral non-Paris Club Creditors US\$29 million) was necessary to bring debt service to sustainable levels. However Non OECD creditors have continued to be problematic and the only successful negotiations were with Kuwait, Saudi Arabia and South Korea.

Debt Service and HIPC Savings

Total cash debt service for the financial year 2003/2004 was US\$ 96.963 million. Of this amount, US\$30.5 million was paid out to the IMF and US\$66.4 million to other creditors.

Debt Sustainability

The Bank and Ministry of Finance, Planning and Economic Development conducted a Debt Sustainability Analysis (DSA) using debt data as at June 30th 2003. There are various methods of assessing sustainability. However, the recommended thresholds under the Heavily Indebted Poor Countries Initiative (HIPC) are Present Value of Debt (PV) to Exports (XGS), Debt Service to Exports and Debt Service to Domestic Budget Revenue. Uganda qualified for HIPC debt relief under the ratio of the present value of debt to exports (PV/XGS) whose threshold is 150%. The results from the DSA exercise revealed a



deterioration of the PV/XGS measure from 185.5% to 279.5% as at June 2002 and June 2003 respectively. This represents a deterioration of 94 percentage points. The results also indicated that sustainability could only be attained in 2016/17 when the PV/XGS ratio was expected to drop to 148.4% based on the assumptions used for the analysis.

A number of both exogenous and endogenous factors contributed to the continued deterioration in the debt sustainability of the country. These include adverse terms of trade, unfavourable weather conditions, fall in global interest rates and increased new borrowing though highly concessional.

CURRENCY OPERATIONS

The Bank meets the legal tender needs of the public, makes available the most convenient and effective currency denomination mix, and pursues a clean notes and coins policy for use by the public.

During the year, the Bank issued a new Shs 50,000/= denomination banknote and more coins. The new note of Shs 50,000/= has been welcomed by the public and is playing its rightful role in the Economy. The strategy of the Bank is to gradually increase the level of coins in circulation so as to provide adequate change.

The Bank has continued to upgrade its operational efficiency through automation of its operations. To this end, the Bank installed and commissioned a modern, automated destruction system for destroying bank notes unfit for circulation. The system is secure and environmentally friendly. As a result of this automation, the Bank completed the downsizing exercise to the targeted staff members in the currency operations. The fleet of armoured vehicles for currency distribution was partly renewed during the year. Three new vehicles were bought. The total fleet at 30 June 2004 was 12 vehicles compared to 9 at 30 June 2003. The Bank will continue with this phased renewal approach in 2004/05 to replace armoured vehicles that have aged.

PAYMENTS SYSTEM

There were a number of significant payment system developments that took place during the year. These included the introduction of Electronic Fund Transfers (EFT) (both credits and debits), development of a Real Time Gross Settlement (RTGS) system that was still in process by the close of the year; implementation of the Payment System oversight; the drafting of a legal framework for the regulation of the payment system and the development and adoption of a payment switching regulatory framework by the Central Bank and commercial banks.



In August 2003, after months of pilot testing, the Electronic Fund Transfer system was implemented. The EFT system supports both credits and direct debits, and the EFT transaction volumes and values have steadily increased. Until August last year, a cheque was virtually the only non-cash instrument that was being cleared in the clearinghouse. Since its introduction, the EFT system has proved popular for corporate salary payments. The EFT is expected to enhance efficiency and strengthen risk management in the national payment system.

In order to further improve efficiency and strengthen risk management in the national payment system, the Bank embarked on the acquisition and implementation of the Real Time Gross Settlement (RTGS) System. In June 2004, the Bank signed a contract for the supply, implementation and maintenance of the RTGS system in Uganda (now called the Uganda National Inter-bank Settlement (UNIS) system). Implementation of the system is scheduled for 21st February 2005.

Banks have continued to invest in payment technologies, including the Automated Teller Machines (ATMs) whose numbers have shot up to over 150. Furthermore, the ATM functionality continued to expand, and besides cash withdrawals and deposits, statement ordering and account balance inquiry, some ATMs now provide for payment for utilities, loading of airtime on mobile phones and intra-bank transfer of funds. The ATM penetration levels to the upcountry areas also increased, with ATMs currently installed in more than 30 upcountry towns including Kasese, Mityana, Kyotera, Soroti, Kapchorwa, Ishaka, Lyantonde, Arua, Bugiri, Kitgum, Moyo, Pallisa and Apac.

During the year, the Bank also continued working with the commercial banks to expand electronic cheque clearing to cover the whole country. Electronic cheque clearing was initially implemented in the capital city Kampala and its environs in May 2002. After stabilising and basing on a centralised electronic clearing system model, electronic cheque clearing is planned to be rolled out to upcountry areas, which would lead to a 3-day uniform clearing cycle for virtually the entire country. This is expected to further promote the use of non-cash instruments, as customers would be able to receive money in a relatively short time. To further improve efficiency in retail electronic clearing, The Bank continued to work with commercial banks to introduce electronic transmission of clearing data to the clearinghouse.

On the regulatory front, in October 2003, the Bank formally implemented a payment system oversight regime to monitor and evaluate strategic trends in the national payment system, and invoke corrective measures whenever deemed necessary. Among others, payment system oversight facilitates the expeditious identification of operational and other risks in payment systems, and the development and implementation of safety and efficiency remedial measures.

Furthermore, between November 2003 and January 2004, the Bank developed a framework for regulating and guiding the management and operations of payment switching in Uganda. The regulatory framework was reviewed by the Uganda Bankers' Association and has since been adopted. Payment switching is expected to stimulate the



use of payment cards, facilitate Electronic Fund Transfer at Point of Sale (EFTPOS), enable prepayments for consumption of utilities, and facilitate convenient loading of airtime on mobile (cell) phones.

Earlier on in August 2002, the Bank engaged a team of consultants to develop legal and regulatory framework that could support the operations of a modern payment system. The consultants submitted their report in September 2003. An enabling National Payment System law has been drafted, and when enacted, it will among others confer payment system oversight powers on the Bank, and also vest it with powers to make legally binding regulations that are intended to strengthen and enhance the safety and efficiency of the national payment system. A policy paper to justify proposed amendments to existing laws, and the rationale for the proposed new laws, is scheduled to be completed in the second half of 2004.

On the regional front, trade within the three East African countries has continued to increase. According to available statistics, Uganda's imports from Kenya and Tanzania increased from more than US\$ 340 million (US\$ 332.68 million from Kenya and US\$ 8.36 million) in 2002 to nearly US\$ 370 million (US\$ 355.91 million from Kenya and US\$ 12.05 million) in 2003. Exports from Uganda to the other East African countries also increased from about US\$ 66 million (US\$ 60.3 million to Kenya and US\$ 5.51 million to Tanzania) in 2002 to nearly US\$ 80 million (US\$ 73.04 million to Kenya and US\$ 5.29 million to Tanzania) in 2003. Thus the total value of trade (both imports and exports) between Uganda and the other East African countries increased from over US\$ 406 million in 2002 to nearly US\$ 450 million in 2003.

The increase in regional trade, coupled with the expected implementation of a customs union (scheduled for 1st January 2005) and the vision for a single currency monetary union, has made the development of an efficient, reliable, safe and convenient cross border payment system within East Africa a strategic imperative. Conscious of this imperative, the three central banks, in October 2003, held an East African Payment System Workshop, during which a regional payment system survey was launched. The survey was successfully carried out between November 2003 and December 2003. Analysis was done thereafter and the results of the survey are being used in designing a suitable cross border payment system for the three East African countries.

In summary, the development and modernisation of the national payment system has continued on a strong path during the year. The implementation of the EFT system and the forthcoming RTGS system should further increase the use of non-cash instruments, improve efficiency and strengthen risk management. Payment system oversight will be further strengthened in the coming year, while the payment system draft laws are expected to be submitted to the Ministry of Finance for consideration, and subsequent presentation to Parliament.



INFORMATION TECHNOLOGY

The Bank has identified “**Effective Information Management**” as one of four strategic priorities in its 5 – Year Strategic Plan. One of the strategic objectives under this strategic priority is to improve the quality and timeliness of information for decision making in the Bank, and for policy advice to relevant persons.

The activities required to achieve this strategic objective were classified based on an end result of;

- i. the business functions of the Bank;
- ii. accessing computing network to staff;
- iii. operation, administration and maintenance of the Bank’s Information Technology (IT) investments; and
- iv. information security and disaster recovery

The Bank through partnership with external consultants provide expertise, architectures, tools and technology transfer to assure success in utilizing Information Technology to meet the business goals of the Bank.

(a) Automation of Business Functions of the Bank

During the year, the Bank deployed the Integrated Banking Application system (IBA). The IBA is an in-house developed system designed to improve the current operations of the Banking Department, while preparing Banking Department staff for the implementation of an off-the-shelf, fully fledged Banking Application.

The tendering and bid evaluation processes for the Banking Application, Foreign Exchange Reserves Management System (FERMS) and Real Time Gross Settlement System, (RTGS) progressed. The implementation of these applications was scheduled for financial year 2004/05

The Bank also facilitated and worked with consultants engaged with the assistance of GTZ and SIDA to implement an Early Warning System for the Supervision Function, which was expected to go-live in September 2004. The Bank continued to participate in the East and Southern African (ESAF) Bank Supervision Application project, which seeks to deliver an application that automates the common Bank Supervision practices and procedures in the East, Central and Southern African region. The ESAF Banking Supervision Applications is to be implemented at the Bank during financial year 2004/05.

(b) Accessibility Of The Bank of Uganda Computing Network To Staff

The Bank successfully migrated the Bank’s SWIFT infrastructure to the new SWIFTNet environment within the timeframes mandated by SWIFT. The new infrastructure is a prerequisite for the Real Time Gross Settlement system, scheduled to go live in February 2005.

The Bank staffs were also trained in various business and office automation applications. A Training Needs Assessment was carried out to assess training needs. This needs assessment will be the basis for the IT Training Plan for financial year 2004/05.



The computing infrastructure continued to be enhanced to cater for the increasing utilization of Information Technology to perform business functions, and achieve business objectives.

(c) Operations, Administration and Maintenance of IT Infrastructure and Applications

The Bank continued to operate, administer and maintain its growing IT infrastructure. Some of the key concerns during the year were the management of the total cost of ownership of the IT infrastructure, and the formalisation of relationships between IT system users, internal and external service providers and other stakeholders. Various proposals in this regard are expected to be implemented in financial year 2004/05.

(d) Information Security and Disaster Recovery

The Board approved an Information Security Policy, which states Bank Management’s intent with respect to information security, and provides for mechanisms for managing information security at the Bank. Detailed information security regulations and guidelines will be issued under this Policy during financial year 2004/05.

The Bank also worked with consultants to complete a Disaster Recovery Plan, which was adopted by the Bank’s Information Security and Contingency Committee. Activities to implement the plan are planned for financial year 2004/05.

BUSINESS CONTINUITY MANAGEMENT

Business Continuity Planning (BCP) is the process of planning for business recovery in the wake of a disaster. In the Bank this process started about 3 years ago when a consultant was hired to initiate the project. The approach adopted was an industry-standard BCP lifecycle approach. Since then the Bank has made significant progress in this direction. As part of the BCP project, the Bank had to go through the following BCP cycle activities with associated deliverables:

Table 19: Business Continuity Planning Cycle (BCP)

Activity	Deliverable
Risk Analysis	Risk Analysis report
Business Impact Analysis	BIA Report
Requirements analysis and strategy development	List of Requirements
Plan development	BCP Plan
Training and awareness	Skilled personnel
Exercise and maintenance	Increased preparedness

A Disaster Recovery Plan was developed and some personnel trained. This created the required framework for disaster management in the Bank. Some parts of the plan were implemented including the formation of emergency response and recovery teams. The



Bank constructed a Disaster Recovery Site (DRS). The site is the Bank's offsite storage facility where copies of the critical information assets are stored. The items to be stored will include both the electronic data and paper documents. So far only electronic data has been stored at the site.

During the year, the Integrated Financial System (IFS) and the File and Print (the systems where user files created by desktop applications are stored) were backed up in the DRS. A plan was developed to move more systems into the DRS within the course financial year 2004/05.

Currently the Bank is in the process of improving on the DRS facilities. A number of key work items will be carried out during the next financial year. The most important ones include the provision of a power sub-station for the whole currency centre, provision for fire detection and fighting equipment as well as furniture. In addition, the Bank plans to stimulate the Disaster Recovery (DR) plan next financial year by conducting at least two exercises to assess the effectiveness of the DR plan.

DEVELOPMENT FINANCE

The Bank, through its Development Finance Department, played a major role in assisting the private sector to access institutional credit as well as enhancement of economic empowerment of the low-income groups. The Bank's participation was mainly in the areas of:- Term Lending, Export Finance, Financing Energy for Rural Transformation, Rural Financial Services besides conducting public awareness workshops and monitoring of funded projects.

(a) Term Lending

Throughout the year, the European Investment Bank – Apex Loan Scheme was the major provider of long-term credit to productive enterprises in the private sector. During the year, a total of eight Development and Commercial Banks participated in the scheme and a sum of Euro 16.093 million (UG Shs 36.584 billion) was disbursed to finance 46 projects under the Apex III. This brought the total disbursement to Euro 73 million and 161 projects funded under the three phases of the Apex Programme.

Ten sectors benefited from the financing namely: Agro-Industry, Manufacturing, Horticulture, Fish Processing, Mining, Tourism, Education, Health, Floriculture and Services.

(b) Export Financing

Three Credit Schemes focused on the Export Sector and benefited various sub sectors engaged in Non-Traditional Exports (NTEs). NTEs of Uganda are all exports excluding Tea, Coffee, Cotton and Tobacco which are the traditional exports. The export credit schemes included:

- i. the Export Credit Guarantee Scheme, (ECGS)
- ii. the Export Refinance Scheme, (ERS) and



iii. the Export Promotion Fund, (EPF)

The Export Credit Scheme (ECGS) has since inception in 2001 guaranteed 112 export contracts totalling to Shs 38.0 billion, of which Shs 5 billion was guaranteed during the period under review. A total of nine Participating Financial Institutions (PFIs) are accredited to participate under the Scheme, four of which were accredited during the financial year. The Bank guarantees up to 75% of the total principal loan amount while the PFI bears 25% of the risk.

During the year, the Bank beefed up the capital base of the Scheme by Shs 4 billion. A cumulative guarantee fee of Shs 457.14 million was generated during the period, which raised the total capital base of the scheme to Shs 7.37 billion. ECGS has the capacity to guarantee loans up to 2.5 times its capital.

The ERS was established in 1991 and has since provided short-term working capital to Exporters of NTEs. A total of 316 loans amounting to Shs 35.69 billion have to-date been disbursed to 113 export-oriented projects. Of these, six loans totalling Shs 19 billion were disbursed as medium term facilities to support the companies' infrastructure developments during the year under review.

The EPF is a revolving fund that supports exporters, who wish to venture into new markets or develop capacity in their organizations by financing activities that are of export promotional nature. The scheme has so far supported 152 Exporters to the tune of Shs 985 million.

(c) **Energy For Rural Transformation Refinance Fund (ERTRF)**

The ERTRF was established under the World Bank funding to develop the needed financial intermediation mechanism in which provision of Term Finance for rural electrification and renewable energy development will comprise part of the mainstream business of the financial sector in Uganda. The Bank manages the fund (US\$15m), which is intended to provide term finance to the Energy Sector. No disbursements have to-date taken place under this programme.

During the year, Development Finance Department was involved in discussions relating to the establishment of a Credit Support Facility (CSF), a guarantee facility to facilitate Commercial Banks' capacity to finance energy projects.

(d) **Rural Financial Services Component (RFSC)**

The RFSC is part of the Agriculture Sector Programme Support (ASPS) funded by DANIDA. It aimed at providing institutional and logistical support to the Uganda Institute of Bankers (UIB), the Micro finance Competence Centre, the Development Finance Department and selected rural Micro Finance Organizations (MFOs); the overall objective being to increase rural financial services outreach in the selected ASPS districts. By the end of the period under review, UIB's training materials had been upgraded and 209 participants attended various courses. A quality Distance Learning Programme was established and is due to be launched by the end of 2004. Capacity building support was provided to nine rural MFOs, three training agencies and 20 participants completed all



training courses under the programme. Five DFD staff received training in areas of micro/rural finance; four attended financial management courses while another four were exposed to project monitoring and evaluation techniques. UIB also received ISO certification during the year. Whereas RFSC closed on 30th June 2004, the impact of the above activities will be evaluated during the period March to June, 2005.

(e) Marketing

Public Awareness Workshops, Seminar and Publications were made to sensitize the public, legislature and other stakeholders about the credit facilities available at the Bank as well as its development-financing role. The identified problems are discussed with the financial institutions in order to prevent delay or failure in the implementation of projects funded by the respective credit scheme.

(f) Monitoring

As an annual exercise intended to enable early identification of implementation bottlenecks and to suggest remedies where applicable, the Bank monitored the funded projects jointly with the financing institutions.

(g) Transfer of Development lines of Credit to UDB

The Government announced its decision to transfer the Credit Lines managed by Development Finance Department to Uganda Development Bank Limited (UDBL) in the national budget for 2004/05 at the close of the financial year. Prior to this, the Board of the Bank had already decided to relocate Development Finance Department activities outside the Bank. The intended transfer would be preceded by a study to be carried out by PricewaterhouseCoopers on appointment by the Ministry of Finance, Planning and economic Development.

INTERNAL ADMINISTRATIVE SERVICES

The Bank through its Administrative Services Department provides an efficient and cost effective institutional support services in respect of management of civil and other engineering works, the maintenance of plant, equipment, machinery and buildings, the procurement of goods and services, provision of transport and other services.

During the financial year, a number of projects were completed. These included renovation of Bank properties at 12 Kawalya Kaggwa Close, 36 Weatherhead Park Lane, Arua, Disaster Recovery Site in Jinja, and procurement, installation and commissioning of Bank Note Processing and Briquetting Machines. The implementation of the Integrated Security System and Fire Upgrade Projects is still continuing.

During the financial year, the scope of term contracting for procurement of goods and services was expanded to cover more categories of goods and services. This procurement method has been found to be more cost effective.



HUMAN RESOURCE MANAGEMENT

Human Resources Department engenders optimal and efficient utilization of the human resources through initiation and administration of cost effective policies that attract, retain and motivate staff in the Bank. In accordance with Policy, the Bank recruited 20 young graduates.

To ensure continued good work output, performance management and appraisal was carried out. The appraisal exercise enables the department to determine performance improvement interventions to be taken. These interventions include training, placement and disciplinary action as appropriate.

In accordance with the Strategic Plan, which emphasizes capacity building as one of the strategic goals, 265 staff were trained within and outside the country. In the same vein, human resource audits and review of the departmental structures was done in order to re-engineer the Bank's organizational design in accordance with environmental changes. At the end of the financial year, staff strength stood at 969.

INTERNAL AUDIT OPERATIONS

The Internal Audit Function is responsible for conducting independent and objective reviews in order to assist the Board and Management discharge their responsibilities. The reviews are conducted within the framework of the Internal Audit Charter and are aimed at providing reasonable assurance to the Board and Management as to the adequacy of risk management procedures and the internal control systems.

During the year, the Internal Audit Function was fully established with the Internal Audit department raised to the level of a Function. The Chief Internal Auditor position was raised to that of an Executive Director reporting directly to the Audit Committee of the Board. A new post of Director of Audit was also created.

In accordance with the Internal Audit Charter, the Function developed a risk-based audit framework which forms the basis for prioritising audit areas. The annual workplans were drawn focusing audit effort and resources on the most risky Bank operational areas. Internal audit reviews were guided by duly developed risk-based audit programmes. Based on the results of the reviews, the Bank's risk management procedures and internal control systems are reasonably adequate.



FINANCIAL FRAMEWORK FOR 2004/05

The Bank promotes financial accountability and transparency to all stakeholders through the provision of timely and reliable accounting information. The Bank's five-year strategic plan is the base for the Bank's annual work plan. The annual work plan activities are costed to arrive at the Bank's annual budget. The Budget is decentralised and the respective Executive Directors and Departmental Directors take responsibility for the implementation of the activities/tasks in their work plans and budgets under their respective functions and departments. The income and expenditure trends for the last four years are as follows:

Table 20: Income And Expenditure Trend For The Years 2000 -2005

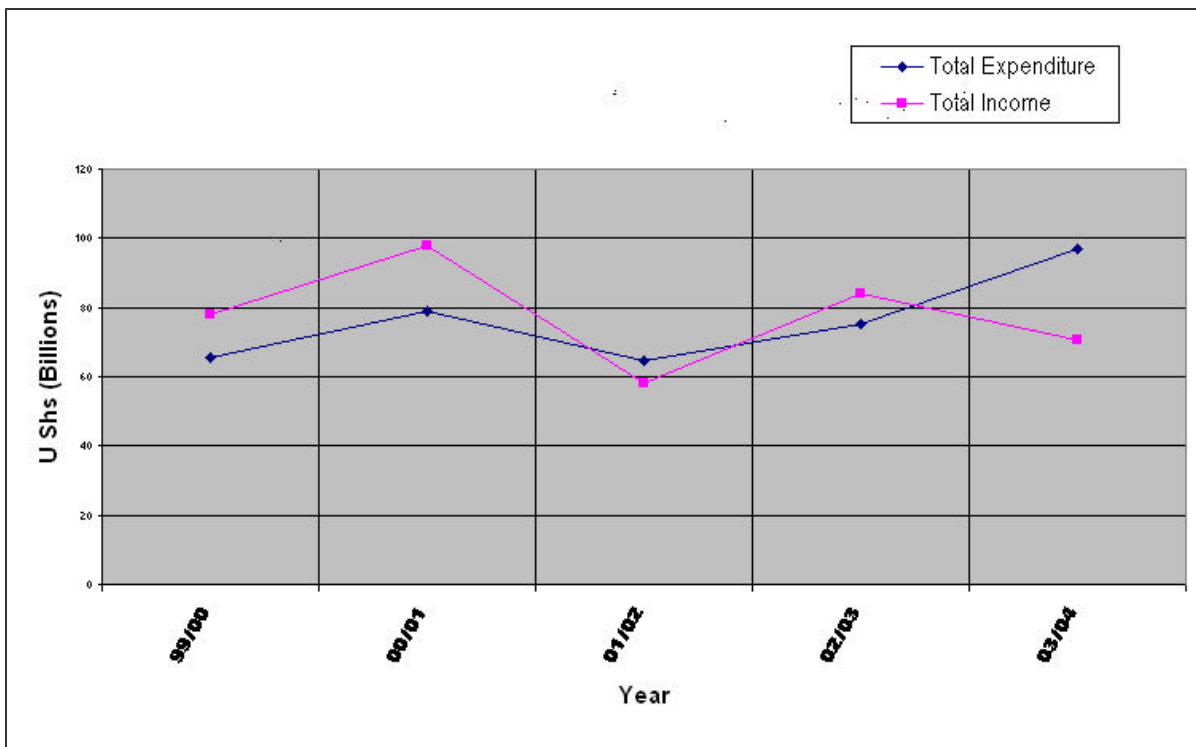
	Actual 2000/1 U Shs (m)	Actual 2001/2 U Shs (m)	Actual 2002/3 U Shs (m)	Budget 2003/4 U Shs (m)	Actual 2003/4 U Shs (m)	Budget 2004/5 U Shs (m)
INCOME						
FOREIGN INCOME						
Foreign Interest Income	80,665	42,270	53,885	61,752	55,217	65,650
Margin and Commission Income	5,419	7,436	10,847	1,200	12,349	6,000
Gain/(Loss) on Financial Instruments held for Trading			9,403	0	(10,795)	0
TOTAL FOREIGN INCOME	86,084	49,706	74,135	62,952	56,771	71,650
LOCAL INCOME						
Local Interest Income	2,805	727	1,541	856	233	88
Income from Government Securities	4,304	6,462	6,259	174	507	0
Income from Demonetisation of Currency			0	6,829	6,829	0
Other Income	4,509	1,342	2,167	2,568	6,389	1,159
TOTAL LOCAL INCOME	11,618	8,531	9,967	10,427	13,958	1,247
TOTAL INCOME	97,702	58,237	84,102	73,379	70,729	72,897
EXPENDITURE						
OPERATING EXPENDITURE						
Staff Costs	29,316	32,542	35,653	35,282	36,264	36,740
Administration Costs	8,770	9,550	10,384	13,673	12,565	13,927
Currency Costs	4,711	5,964	4,784	23,211	16,311	16,553
Financial/Professional Charges	27,190	6,714	6,796	2,549	9,077	2,539
TOTAL OPERATING EXPENDITURE	69,987	54,770	57,617	74,715	74,217	69,759
NORMAL OPERATING PROFIT/(LOSS)	27,715	3,467	26,485	(1,336)	(3,488)	3,138
OTHER EXPENDITURE						
Realised Exchange (Gain)/Loss	251	505	757	-	586	-
Ineffective Foreign Currency Hedge Loss			3,437	0	2,213	0
International Monetary Fund Charges	5,309	4,600	4,029	3,284	3,515	3,007
Loss on Revaluation of certain buildings			0		1,986	
Depreciation	3,564	4,920	9,323	6,902	14,206	11,858
TOTAL OTHER EXPENDITURE	9,124	10,025	17,546	10,186	22,506	14,865
TOTAL EXPENDITURE	79,111	64,795	75,163	84,901	96,723	84,624
SURPLUS/(DEFICIT) FOR THE YEAR	18,591	(6,558)	8,939	(11,522)	(25,994)	(11,727)
Less Transfer of Unrealised (Gain)/Loss to Investment Revaluation Reserves			(3,447)	-	3,447	-
TRANSFER TO REVENUE RESERVE	18,591	(6,558)	5,492	(11,522)	(22,547)	(11,727)
CAPITAL EXPENDITURE	12,098	13,977	26,549	25,643	22,489	25,474

The Bank's income is derived mainly from the investment of foreign reserves. Over the last three years the interest rates in the international markets have been at an all time low and this has meant that the Bank's external income has dropped from Shs 86,084million in 2000/2001 to Shs 56,771million in 2003/04 (see table 19 above). On the other hand, total



expenditure for the Bank has been on the rise during the last three years and has risen from Shs 79,111million in 200/01 to Shs 96,723million in 2003/04. Over the last 3 years, the Bank has undertaken a rigorous automation of mission critical systems. The high cost of automation has meant that heavy capital expenditures on currency management machines, computer hardware and software applications have more than doubled the depreciation charges. During this period, the Bank has made concerted effort to improve on the security features and cleanliness as well as the denomination mix of the currency in circulation. This has meant that the Bank has had to spend large amounts on currency printing and coin minting. The two factors explain the rise in the Bank expenditure in the last four years (see figure 11 below).

Figure 11: Income and Expenditure Trends



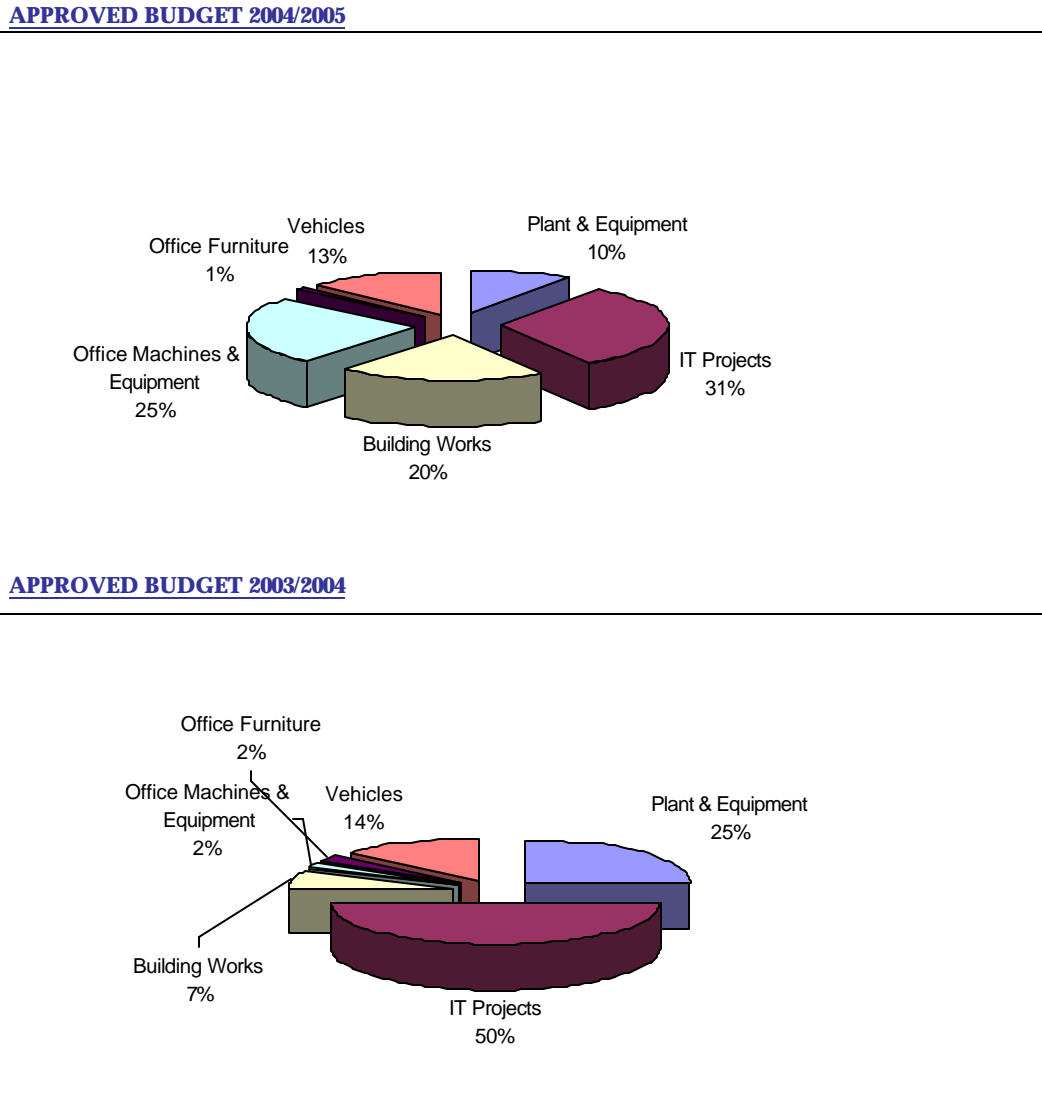
During the year ended 2003/04 the Bank changed its accounting policy on the treatment of financial instruments. The financial instruments which are held for trading are measured at fair value and any gain or loss is transferred directly to the profit and loss statement. The value of asset prices for fixed income securities fell on the international markets when interest rates began to rise. This led to the Bank portfolio of financial instruments held for trading to register a large loss of Shs 10,795million in 2003/04. The loss in market value impacted adversely on the results for the year.

The Bank budget for 2004/05 is as shown in table 4. Bank income is budgeted to stay flat at Shs 72,897million before any changes in the valuation of financial instruments portfolio are accounted for. Bank expenditure is also budgeted to remain at around the 2003/04 levels.



The Bank is still automating and upgrading its mission critical activities. During the year it is planned to spend Shs 25,699million (see figure 12).

Figure 12: Capital Expenditure



A large part of this expenditure will be spent on IT projects such as the Real Time Gross Settlement system, the Foreign Exchange Reserves Management System and the Banking Application. Other IT expenditures involve the upgrade of existing systems such as the Integrated Financial System, the implementation of the Integrated Security System and the Fire Detection System. It is also planned to replace older vehicles and to acquire another bullion van. In addition, the Bank is in the process of acquiring the Stanbic Bank building next to the Bank's headquarters and to undertake major renovations on the Bank headquarters.



DIRECTORS' REPORT

INTRODUCTION

The Directors are pleased to present their report for the year ended 30 June 2004. This report addresses the performance of the Bank in terms of the Bank of Uganda Statute 1993, which requires the Bank to make a report of its activities and operations during the preceding year, not later than three months after the end of each financial year.

NATURE OF BUSINESS

The Bank of Uganda is the Central Bank of Uganda. The principal function of the Bank is to formulate and implement monetary policy directed to economic objectives of achieving and maintaining price stability.

FINANCIAL STATEMENTS

The Directors present the financial statements for the year ended 30 June 2004 set out on pages 79 to 106. The Bank made a loss of Shs 25,994million (30 June 2003 profit of Shs 8,940million as restated). The Bank earned a total income of Shs 70,729million (30 June 2003 Shs 84,103million as restated). The major source of the Bank's income is interest earned on foreign currency investments and foreign exchange trading. The interest rates in the international financial markets have been very depressed and only started to move up in the third quarter of the financial year. During the year, the Bank changed its accounting policy on classification of its investments with external managers. Previously, these investments were classified as available-for-sale. The externally managed investments were reclassified this year as held for trading since they are actively traded in the market. The reclassification necessitated that the movements in the market value of the portfolio, which were previously recognized directly in equity, had to be transferred to the profit and loss. The comparative figures for the previous year have been restated. This fair value gain of Shs 16,670million previously transferred to equity has been included in the previous year's income figures. When interest rates are rising, the fixed income asset prices fall. In the current year, a loss due to a fall in the market value of the portfolio, of Shs 10,795million was incurred and was charged to the profit and loss.

The Bank demonetized currency notes and recognized income of Shs 6,829million resulting from the cancellation of liability on notes that were not returned. The Bank's total expenditure for the year amounted to Shs 96,723million (30 June 2003 Shs 75,163million). Whereas most costs were contained to levels around those of the previous year, cost of printing currency and minting coins, losses and depreciation charges were much higher than in the previous year.

The Bank retired a loan to a commercial Bank early and the resulting loss of Shs 3 billion due to the early retirement of the loan together with provisions against old government overdrawn balances of Shs 1,697million and ex staff loan provision for doubtful debts of Shs 1,709 million, account for the large cost of bad debts in the current year. There were some balances that were written back due to overprovision in the previous year.

In order to avail an appropriate denomination mix of currency notes and coins with robust security features and to maintain an acceptable level of cleanliness of the currency notes,



the Bank introduced a new fifty thousand Shilling note, reprinted some note denominations and minted more coins. The level of expenditure on currency notes and minting is expected to remain high as an increasing number of note denominations with more robust security features and more coins are introduced in circulation.

During the year, the Bank commissioned a firm of professional property valuers to revalue its properties. The increases in carrying amounts arising on revaluation of properties net of the decreases that offset previous increases of the same assets amounting to Shs 18,156million were credited to the revaluation reserves. The decreases in other assets amounting to Shs 1,986million were charged to the profit and loss account.

Capital expenditure in the current year amounted to Shs 22,489million. The Bank automated its currency handling when it installed the banknote destruction and briquetting machines as well as the banknote processing system. The Bank is in the process of improving on its physical security by installing automated electronic security devices. During the year, capital expenditure was also incurred to acquire new bullion vans to replace the old ones. The Bank has also continued to computerize and upgrade its mission critical information systems. The large capital expenditure has led to a much higher depreciation charge to the income statement.

DIVIDENDS

The Directors do not recommend the payment of a dividend.

DIRECTORS

The Directors who held office during the year and to the date of this report were:

E. Tumusiime-Mutebile	-Chairman
D.G. Opiokello	-Deputy Chairman
J. Waswa Balunywa	-Director
G. Sebunya Muwanga (Dr)	-Director
Blasio Kiiza	-Director
C. Manyindo Kassami	-Secretary to the Treasury
J. Kahirimbanyi	-Board Secretary

AUDITORS

In accordance with Section 44 of the Bank of Uganda Statute 1993, the financial statements shall be audited once every year by the Auditor General or an auditor appointed by him to act on his behalf. For the year ended 30 June 2004, Messrs PricewaterhouseCoopers were appointed to act on behalf of the Auditor General.

PricewaterhouseCoopers have expressed their willingness to continue in office.

By order of the Board

J. Kahirimbanyi

BOARD SECRETARY

Date



STATEMENT OF THE DIRECTORS' RESPONSIBILITIES

The Directors, according to the Bank of Uganda Statute, are responsible for general management of the affairs of the Bank, among other duties. They are therefore required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Bank as at the end of the financial year and of its operating results for that year. Directors should also ensure that the Bank keeps proper accounting records, which disclose with reasonable accuracy, at any time, the financial position of the Bank. They are also responsible for safeguarding the assets of the Bank.

The Directors accept responsibility for the annual financial statements set out on pages 79 to 106, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards, except in so far as the Bank does not consider it appropriate to do so having regard to its functions and in the manner required by the Bank's Statute. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Bank as at 30 June 2004 and of its net loss for the year ended on that date. The Directors further accept responsibility for the maintenance of accounting records, which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control. Nothing has come to the attention of the Directors to indicate that the Bank will not remain a going concern for at least the next twelve months from the date of this statement.

GOVERNOR

DIRECTOR

Date

Date



REPORT OF THE INDEPENDENT AUDITORS

We have audited the financial statements on pages 79 to 106. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit. The financial statements are in agreement with the books of account.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for the preparation of financial statements, which give a true and fair view of the Bank's state of affairs and its deficit. Our responsibility is to express an independent opinion on the financial statements based on our audit and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform our audit to obtain reasonable assurance that the financial statements are free from material misstatement. An audit includes an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of the accounting policies used and significant estimates made by the directors, as well as an evaluation of the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

OPINION

In our opinion, proper books of account have been kept and the financial statements give a true and fair view of the state of the financial affairs of the Bank as at 30 June 2004 and of the deficit for the year then ended and comply with Bank of Uganda Statute, 1993, and with International Financial Reporting Standards except in so far as the Bank has not considered it appropriate to do so having regard to its functions.

Certified Public Accountants
Kampala

PRICEWATERHOUSECOOPERS 



FINANCIAL STATEMENTS

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2004

	Note	2004 U Shs (m)	Restated 2003 U Shs (m)
INCOME			
Foreign Income			
Foreign Interest Income		55,217	53,885
Foreign Exchange Margins and Commission Income		12,349	10,847
(Loss)/Gain on Investments Held for Trading	4	(10,795)	9,403
		56,771	74,135
Local Income			
Local Interest Income		233	1541
Income from Government Securities	5	507	6,259
Income from Demonetisation of Currency	6	6,829	-
Other Income	7	6,389	2,167
		13,958	9,967
		70,729	84,102
EXPENDITURE			
Staff Costs	8	36,264	35,653
Administration Costs	9	12,565	10,384
Currency Costs	10	16,311	4,784
Financial/Professional Charges	11	2,799	4,264
Impairment on Loans and Advances	12	6,278	2,532
		74,217	57,617
		(3,488)	26,485
NORMAL OPERATING (LOSS)/PROFIT			
OTHER EXPENDITURE			
Realised Exchange Loss		586	757
Loss on Cash Flow Hedge	13	2,213	3,437
International Monetary Fund Charges		3,515	4,029
Loss on Revaluation of Certain Buildings		1,986	-
Depreciation		14,206	9,323
		22,506	17,546
		(25,994)	8,939
NET (LOSS)/PROFIT FOR THE YEAR			
Transfer of Unrealised Gains from Investment Revaluation Reserve		3,447	-
Transfer of Unrealised Gains to Investment Revaluation Reserve		-	(3,447)
		(22,547)	5,492
TRANSFER TO REVENUE RESERVE			

The accounting policies and notes on pages 84 to 106 form an integral part of the financial statements.



BALANCE SHEET AS AT 30 JUNE 2004

ASSETS		2004	Restated 2003
	Note	U Shs (m)	U Shs (m)
FOREIGN ASSETS			
Cash and Cash Equivalents	14	1,692,104	1,586,050
Investments Held for Trading	15	359,771	393,620
Derivatives Instruments Held for Hedging	16	-	5,318
International Monetary Fund (IMF) Quota	17	473,833	506,763
Available for Sale Investment	18	716	801
Total Foreign Assets		2,526,424	2,492,552
DOMESTIC ASSETS			
Advances to Commercial Banks	19,20,21,22,23	137,812	95,185
Domestic Investments	24	200,000	130,395
Other Assets	25	42,685	9,361
Staff Loans and Advances	26	14,155	15,086
Prepaid Operating Lease Rentals	27	6,742	-
Property, Plant and Equipment	28	79,207	61,970
Advances to Government	29	1,220,620	1,533,021
Total Domestic Assets		1,701,221	1,845,018
TOTAL ASSETS		4,227,645	4,337,570
LIABILITIES			
FOREIGN LIABILITIES			
International Monetary Fund Accounts		469,819	506,781
Derivatives Instruments Held for Hedging	16	927	-
Special Drawing Rights(SDR) Allocation	31	77,168	82,531
Other Foreign Liabilities	32	823	769
Total Foreign liabilities		548,737	590,081
DOMESTIC LIABILITIES			
Currency in Circulation	33	605,255	520,167
UCBL Net Sales Proceeds	34	25,376	33,735
Commercial Bank Deposits	35	337,321	228,188
International Bank for Reconstruction and Development		3,102	4,152
Government Deposits	36	2,274,305	2,437,891
Employee Benefits	38	1,186	621
Other Liabilities	39	56,323	29,710
Total Domestic Liabilities		3,302,868	3,254,464
TOTAL LIABILITIES		3,851,605	3,844,545
SHAREHOLDERS' FUNDS			
Share Capital	40	20,000	20,000
Reserves	41	325,254	438,316
Earmarked Funds	42	30,786	34,709
TOTAL SHAREHOLDERS' FUNDS		376,040	493,025
TOTAL SHAREHOLDERS' FUNDS & LIABILITIES		4,227,645	4,337,570

The accounting policies and notes on pages 84 to 106 form an integral part of the financial statements.
The financial statements on pages 79 to 106 were approved by the Board of Directors on 16 December 2004.
They were signed on its behalf on 16 February 2005 by:

Governor

Director

Director



STATEMENT OF CHANGES IN EQUITY

	Share Capital Ushs (M)	Translation Reserve Ushs (M)	Capital Reserve Ushs (M)	Investment Revaluation Reserve Ushs (M)	Revenue Reserve Ushs (M)	General Reserve Ushs (M)	Total Equity Ushs (M)
As previously stated 1 July 2002	20,000	174,711	11,459	18,901	85,616	100	310,787
Prior Year Adjustment - Change in Accounting Policy	-	-	-	(18,901)	18,901	-	-
As restated	20,000	174,711	11,459	-	104,517	100	310,787
Profit for the Year	-	-	-	-	8,939	-	8,939
Revaluation Surplus Release	-	-	(507)	-	507	-	-
Exchange Gain for the Year	-	150,991	-	-	-	-	150,991
Transfer to Export Refinance Scheme	-	-	-	-	(12,410)	-	(12,410)
Transfer of Undistributable Gain	-	-	-	3,447	(3,447)	-	-
At 30 June 2003	20,000	325,702	10,952	3,447	98,106	100	458,307
							-
At 1 July 2003 as previously stated	20,000	325,702	10,952	35,571	65,991	100	458,316
Prior Year Adjustment - Change in Accounting Policy	-	-	-	(18,901)	18,901	-	-
Prior Year Adjustment - Change in Accounting Policy	-	-	-	(16,670)	16,670	-	-
Transfer of Undistributable Gain	-	-	-	3,447	(3,447)	-	-
As restated	20,000	325,702	10,952	3,447	98,115	100	458,316
Loss for the Year	-	-	-	-	(22,547)	-	(22,547)
Transfer of Realised Gain	-	-	-	(3,447)	-	-	(3,447)
Revaluation Surplus Release	-	-	(498)	-	498	-	-
Translation Loss for the Year	-	(105,224)	-	-	-	-	(105,224)
Release of Reserve on Disposal of Assets	-	-	(65)	-	65	-	-
Asset Revaluation	-	-	18,156	-	-	-	18,156
At 30 June 2004	20,000	220,478	28,545	-	76,131	100	345,254

The accounting policies and notes on pages 84 to 106 form an integral part of the financial statements.



NOTES TO STATEMENT OF CHANGES IN EQUITY

(a) General Reserve Fund

According to Section 16(1) of the Bank of Uganda Statute, the Bank is required to maintain a General Reserve Fund and the amount maintained in this account is determined by the Board from time to time.

(b) Capital Reserve Fund

The capital reserve fund account represents the balance of fixed assets revaluation surpluses or deficits.

(c) Translation Reserve

The movements in translation reserve represent the net foreign exchange translation gain arising from translation of external assets and liabilities.

(d) Investment Revaluation Reserve

The movements in investment revaluation reserve represent gains and losses resulting from re-measuring financial instruments at fair (market prices) values. The externally managed fund portfolio of financial instruments was previously classified as “Available-for-Sale” portfolio. This year the portfolio has been reclassified as “Held-for-Trading”. The gain/loss on financial instruments held for trading has been recognised directly in the income statement. The comparatives for the previous year have been restated and a fair value gain of Shs 16,670 million has been recognised in the reserve as a prior year adjustment due to the reclassification of the portfolio. The fair value gain of Shs 18,901 million relating to financial year 2001/2002 has also been transferred to the Revenue Reserve. The prior year unrealised market value portfolio gain of Shs 3,447 million has been transferred from revenue reserves to the Investment Revaluation Reserve in accordance with the stated Bank accounting policy.



CASH FLOW STATEMENT

The following cash flow statement appears as a matter of record to meet the requirements of International Accounting Standard (IAS) 7, Cash Flow Statements. For the purpose of this statement, cash refers to foreign currency assets defined as cash and cash equivalents.

		June 2004 U Shs (m)	Restated June 2003 U Shs (m)
	Note	2004	2003
Net (Loss)/profit transfer to revenue reserve		(22,547)	5,492
Adjustments for:			
Realised Gain Transferred		(3,447)	-
Unrealised Gain Transferred		-	3,447
Depreciation		14,206	9,323
Amortisation of Operating Leasehold		228	-
Profit on Sale of Fixed Assets		(124)	(206)
Increase/(Decrease) in Earmarked Funds		(3,923)	8,311
Transfer from Reserves to ERS		-	(12,410)
Adjustments to Market for Portfolio Investments		-	16,670
Unrealised Gain/(loss) due to Market Appreciation		-	(16,670)
Loss written-off on Revaluation of Bank Properties		1,986	-
Unrealised Gain/(loss) Transferred to Reserve		<u>(105,224)</u>	<u>150,991</u>
		<u>(118,845)</u>	<u>164,948</u>
Foreign Assets			
(Increase)/Decrease in Held for Trading Investments	15	33,849	(61,242)
(Increase)/Decrease in IMF Quota	17	32,930	(78,393)
(Increase)/Decrease in Available For Sale Investment	18	85	(369)
(Increase)/Decrease in Derivatives Held for Trading	16	<u>5,318</u>	<u>-</u>
Total Foreign Assets		<u>72,182</u>	<u>(140,004)</u>
Domestic Assets			
(Increase)/Decrease in Advances to Commercial Banks	19-23	(42,627)	(14,703)
(Increase)/Decrease in Domestic Investments	24	(69,605)	(5,689)
(Increase)/Decrease in Other Assets	25	(33,324)	(2,293)
(Increase)/Decrease in Staff Loans & Advances	26	931	3,147
(Increase)/Decrease in Advances to Government	29	<u>312,401</u>	<u>(222,689)</u>
Total Domestic Assets		<u>167,776</u>	<u>(242,227)</u>
TOTAL ASSETS		<u>121,113</u>	<u>(217,283)</u>
Foreign Liabilities			
Increase/(Decrease) in International Monetary Fund accounts		(36,962)	101,754
Increase/(Decrease) in Special Drawing Rights Allocation	31	(5,363)	12,767
Increase/(Decrease) in Other Foreign Liabilities	32	54	(229)
Increase/(Decrease) in Derivatives Held for Trading	16	<u>927</u>	<u>-</u>
Total Foreign Liabilities		<u>(41,344)</u>	<u>114,292</u>
Domestic Liabilities			
Increase/(Decrease) in Currency in Circulation	33	85,088	71,962
Increase/(Decrease) in UCBL Sales Proceeds	34	(8,359)	(766)
Increase/(Decrease) in Commercial Bank Deposits	35	109,133	(38,473)
Increase/(Decrease) in International Bank For Reconstruction & Dev't		(1,050)	1,024
Increase/(Decrease) in Government Deposits	36	(163,586)	468,063
Increase/(Decrease) in Employee Benefits	38	565	621
Increase/(Decrease) in Other Liabilities	39	<u>26,613</u>	<u>(48,368)</u>
Total Domestic Liabilities		<u>48,404</u>	<u>454,063</u>
TOTAL LIABILITIES		<u>7,060</u>	<u>568,355</u>
Net Cashflows from Operating Activities		<u>128,173</u>	<u>351,072</u>
Cashflows from Investing Activities			
Proceeds from Sale of Fixed Assets		370	206
Acquisition of Fixed Assets		<u>(22,489)</u>	<u>(24,145)</u>
Net Cashflows from Investing Activities		<u>(22,119)</u>	<u>(23,939)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents		106,054	327,133
Cash & Cash Equivalents at the Beginning of the Year		<u>1,586,050</u>	<u>1,258,916</u>
Cash & Cash Equivalents at the End of the Year	14	<u>1,692,104</u>	<u>1,586,050</u>

The accounting policies and notes on pages 84 to 106 form an integral part of the financial statements.



1. LEGAL FRAMEWORK

(a) Establishment

The Republic of Uganda constitution, 1995 Article 161, provides that the Bank of Uganda shall be the Central Bank of Uganda. Article 162 (1) provides that the Bank of Uganda shall :

- i. promote and maintain the stability of the value of the currency of Uganda
- ii. regulate the currency system in the interest of the economic progress of Uganda
- iii. encourage and promote economic development, and the efficient utilisation of the resources of Uganda through effective and efficient operation of a banking and credit system
- iv. do all such other things not inconsistent with this article, as may be prescribed by law.

In performing its functions; the Bank of Uganda shall conform to the Constitution but shall not be subject to the direction or control of any person or authority. Bank of Uganda was established as the Central Bank of Uganda under the Bank of Uganda Act 1966. The Bank of Uganda Act was amended and consolidated by the Bank of Uganda Statute 1993. The Bank's principal responsibilities are to:

- i. formulate and implement Monetary Policy directed to economic objectives of achieving and maintaining economic stability;
- ii. act as adviser to Government on monetary policy;
- iii. act as financial adviser to Government and manage the public debt;
- iv. supervise, regulate, control and discipline financial institutions, insurance companies and pension funds institutions;
- v. issue currency notes and coins;
- vi. maintain external assets reserve; and
- vii. be the banker to Government and Financial Institutions

(b) Capital

Under section 15 of the Bank of Uganda Statute 1993, the authorised capital of the Bank shall be thirty billion shillings and shall be subscribed by the Government from time to time. The issued and paid up capital of the Bank shall be a minimum of twenty billion shillings. As at 30 June 2004, the paid up capital of the Bank was 20 billion shillings (see note 40).

(c) General Reserve Fund

Section Bank of Uganda Statute 1993 provides that there shall be a General Reserve Fund of the Bank which shall be determined by the Board from time to time. The Bank may, in consultation with the Minister, transfer funds from the General Reserve Fund to the Capital of the Bank.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

(b) Distribution of the Bank Net Profits And Losses

Under section 17 of the Bank of Uganda Statute 1993:-

- i. The net profit or loss from the Bank's operations shall be shared by the Bank and the Government in the proportions of 25% and 75% respectively after making good the authorised capital and reserve fund balance; allowing for expenses of operation; making provision for bad and doubtful debts; providing for depreciation of fixed assets and impairment of financial assets; and contributing to any scheme or fund established under the Bank's statute.
- ii. The accounts shall clearly distinguish profits or losses arising from normal operations of the Bank and those arising from profits or losses from exchange fluctuations.
- iii. The Board may determine that the whole of the net profit of the Bank be paid into the Consolidated Fund if, at the end of the financial year, the balance in the General Reserve Fund is twice or more than the paid up capital of the Bank.
- iv. The Bank may, after consultation with the Minister, retain from Government a proportion of the share of net profits payable into the Consolidated Fund, any amount of money as the Board may determine, in satisfaction of any amounts due to the Bank by Government.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

2. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The Bank may, however, disregard the IFRS requirements to the extent that it considers it appropriate to do so having regard to its functions. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities as well as items of property, plant and equipment.

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

(b) Income Recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Bank. Foreign currency deposits income which is considered an integral part of the effective yield of the external assets is recognised using the effective yield method.

(c) Financial Instruments

Financial instruments are initially recognised when the Bank becomes a party to contractual provisions of the instrument. Financial instruments are initially measured at cost, which includes transaction costs. The five different types of financial instruments held by the Bank are;

i. Financial Instruments held to maturity

Financial Instruments with fixed or determinable payments and fixed maturity where the Bank has a positive intent and ability to hold to maturity other than loans and receivables originated by the Bank are measured at amortised cost.

ii. Financial Instruments held for trading

Financial Instruments which are classified as held for trading are held principally for purposes of generating a profit from short-term fluctuations in price or dealers margin, and are measured at fair value. Gains and losses resulting from changes in fair values are recognised in the income statement.

The unrealised portion of the gains are not available for distribution and are thereafter transferred to the Investment revaluation reserve subsequent to their recognition

The gains and losses on the cash flow hedging instruments are matched with gains and losses on the hedged items, and where the hedges are effective, the gains and



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

losses are transferred directly to an investment revaluation reserve. The ineffective portion of the hedging instrument is recognised directly in the income statement.

iii. Available-for-sale Financial Instruments

These are equity Financial Instruments which are not loans and receivables originated by the Bank; or those held to maturity; or financial assets held for trading, and are measured at their fair value or at cost less provision for impairment losses where fair value is not easily determinable. Gains are transferred directly to an investment revaluation reserve. Losses that offset previous increases are charged to the revaluation reserve and any excess thereafter is charged to the income statement.

iv. Loans and receivables.

Loans and receivables are advances originated by the Bank, including staff loans and advances. Loans and receivables are initially measured at the net consideration paid and subsequently at amortised cost. Amortised cost represents the amounts at which the financial instruments were initially measured at initial recognition minus principal repayments plus or minus the cumulative amortisation of any difference between the initial amount and the maturity amount and minus any write down for impairment or uncollectability.

The Bank provides loan facilities to staff to help them acquire or improve property and purchase motor vehicles. Staff are also eligible to obtain advances for various purposes. The Bank set up a staff building revolving fund for the purpose of providing building loans to staff. This fund is reflected as an earmarked fund but the loans are included as receivables of the Bank. The increase or decrease in fair value of the staff building loans would wholly accrue to the staff building revolving fund. The staff building loans are stated at cost less any provision for doubtful debts. Previously the fund and the assets were shown net in the accounts. Previous years' balance sheet has been restated to gross up the assets.

v. Non-trading financial liabilities

All non-trading liabilities are measured at cost.

(d) Impairment

At each balance sheet date, financial assets are reviewed to determine whether there is any objective evidence of impairment. Where such evidence exists, the impairment loss is measured and recorded in the income statement as the difference between the carrying value of the asset and the present value of estimated future cash flows.

(e) Property, Plant and Equipment

Property, plant and equipment are initially recorded at cost. Freehold land and buildings are subsequently shown at their market values, based on valuations by external independent valuers. Increases in the carrying amounts arising on revaluation are credited to a revaluation reserve. Decreases that offset previous increases of the same asset are charged against revaluation reserve while all other decreases are charged to the profit and loss account. Gains and losses on disposal of



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

property and equipment are determined by reference to their carrying amounts and are taken into account in determining operating profit.

Freehold land is not depreciated. Depreciation on other assets is calculated on a straight-line basis to write off their cost or revalued amount of such assets to their residual values over the estimated useful lives. Leasehold land is amortised in equal instalments over the period of respective leases. Buildings on leasehold land are depreciated on a straight line basis over the shorter of 50 years or the lease period. Other assets are depreciated over the term of their estimated useful lives at the following principal annual rates:

Buildings on freehold land	2%
Computers, vehicles and plant and machinery	25%
Furniture and equipment	20%

Assets in the course of construction (capital work in progress) are not depreciated. Upon completion of a project, the accumulated cost is transferred to an appropriate asset category where it is depreciated according to the policy set out above.

(f) Prepaid Operating Lease Rentals

Leasehold land is classified as Prepaid Operating Lease Rentals because the lessor retains substantially all the risks and rewards incidental to the ownership of the lease. Lease premiums are amortised on a straight line basis over the remaining period of the lease.

(g) Consumable Stores Stocks

Consumable stores stocks are valued at the lower of cost and net realisable value. Cost is determined using the first in first out method. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. Provisions are made for all slow moving and absolute consumable stores stocks.

(h) Currency Printing Costs

Currency printing costs are charged to the income and expenditure account in the year in which they arise.

(i) Demonetisation of Currency

Demonetisation is the process of revoking the legality of a currency. The Bank may demonetise any of its Bank notes and coins on payment of the face value under section 24 (3) of the Bank of Uganda Statute 1993 provided that a notice of not less than fifteen days is given in the official gazette. The value of demonetised currency notes and coins that is not returned to the Central Bank is recognised as income in the income statement and the liability to the public is extinguished.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

(j) Provisions

Provisions are recognised when the Bank has a present obligation (legal or constructive) arising from a past event and the costs to settle the obligation are both probable and reliably measurable.

(k) Cash and Cash Equivalents

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

(l) Repurchase and Sale Agreement

A securities repurchase agreement (Repos) is an arrangement involving the sale, for cash, of securities at a specified price with a commitment to repurchase the same or similar securities at a fixed price either on a specified future date or at maturity. The Repos continue to be recognised in the balance sheet and are measured in accordance with the policies for non-trading investments. The liability for amounts received under these agreements is included in amounts due to banks and other financial institutions. The difference between sales and repurchase price is treated as interest expenditure and is recognised in the income statement using the effective yield method.

(m) Foreign Currency Translation

Monetary Assets and liabilities denominated in foreign currencies are translated into Uganda shillings at the exchange rate ruling at the balance sheet date. Individual transactions are converted into Uganda shillings at the exchange rate ruling at the date of each transaction and realised gains/losses relating to these transactions are dealt with through the income and expenditure account.

Exchange differences arising from translation of foreign assets and liabilities are transferred to the "Translation Reserve" in shareholders' equity. On disposal of the foreign investments, such translation differences are recognised as realised gains or losses and transferred to revenue reserve.

(n) Employee Benefits

Wages, salaries, employer's National Social Security Fund (NSSF) contributions and gratuity are accrued in the year in which the associated services are rendered by employees and recognised in the income and expenditure account. Short term compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

(o) **BANK OF UGANDA Staff Retirement Benefits Scheme**

Bank of Uganda Staff Retirement Benefit Scheme which was established under an irrevocable trust in 1995 is governed by the Board's appointed trustees. The scheme is a Defined Benefit Scheme where the employee contributes 2% of the total pensionable pay and the Bank (employer) contributes the balance required to reach the level recommended by the Actuaries. Currently the Bank contributes 25.8% of the employees' total pensionable pay.

The scheme provides pension benefits to eligible members based on the number of years of service and final pensionable pay. The scheme's assets are held in a separate fund administered by trustees and contributions are charged to the income so as to spread the cost of pensions over employees' working lives in the Bank.

(p) **Offsetting**

Financial assets and financial liabilities are only offset and the net amount reported in the balance sheet when there is a legally enforceable right to set off the recognised amounts.

(q) **Taxation**

According to the Finance Act 2003, the Bank is exempt from payment of income tax in respect of its functions as defined by the Statute.

(r) **Comparatives**

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current period. In particular, the comparatives have been restated to conform to changes in accounting policies brought about by the reclassification of certain foreign investments from "Available for Sale" to "Held for Trading". (See Statement of Changes in Equity and note 14.3(d) on page 81-82).

3. NET LOSS FOR THE YEAR

The net loss for the year is stated after charging the following:-

	2004	2003
	U Shs (m)	U Shs (m)
Audit Fees	70	70
Directors Fees	26	17
Directors Emoluments	157	48
	<u>253</u>	<u>135</u>

4. FOREIGN INCOME GAIN/LOSS ON INVESTMENTS HELD FOR TRADING

	2004	2003
	U Shs (m)	U Shs (m)
Realised Market (Losses)/Gains on Investments	(3,276)	5,956
Unrealised Market (Losses)/Gains on Investments	<u>(7,519)</u>	<u>3,447</u>
	<u>(10,795)</u>	<u>9,403</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

5. INCOME FROM GOVERNMENT SECURITIES

With effect from 1 January 2004, the Bank stopped earning interest on Rediscounted Treasury bills. This change in policy was agreed with the Ministry of Finance. Unearned interest on government securities at the point of rediscounting is not charged to Government since the treasury bills are used as monetary policy instruments.

6. DEMONETISATION OF CURRENCY

The demonetised currency income was made up of: -

	2004	2003
	U Shs (m)	U Shs (m)
Currency Notes Denominations		
Five Hundred Shillings	1,431	-
Two Hundred Shillings	1,894	-
One Hundred Shillings	1,689	-
Fifty Shillings	1,255	-
Twenty Shillings	233	-
Ten Shillings	184	-
Five Shillings	143	-
Total Value of Demonetised Notes Recognised as Income	<u>6,829</u>	<u>-</u>

The Bank minted coins for the denominations of five hundred, two hundred, one hundred, fifty, twenty, ten and five shillings. The currency notes in these denominations were recalled and demonetised under statutory notice No 3 published in the official gazette of 5 May 2000.

After the expiry of the statutory grace period, the Bank allowed the public an extra period in which to return the demonetised notes. Subsequent to the expiry of the notice period and following verification of the uncollected demonetised notes, an amount of Shs 6,829 million has been recognised as income for this year.

7. OTHER INCOME

	2004	2003
	U Shs (m)	U Shs (m)
UCBL Arbitration Costs Recovered	3,087	-
Licence Fees	127	141
Commission on Letters of Credit	66	75
Rental Income	184	-
Income from Administered Funds-DFD	795	608
Profit on Sale of Fixed Assets	124	59
Sale of Forex Receipt Books & Forms	155	115
Miscellaneous Income	437	233
Costs Awarded by the High Court to BOU	871	-
Write Back-Over Provision	543	936
	<u>6,389</u>	<u>2,167</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

8. STAFF COSTS

	2004	2003
	U Shs (m)	U Shs (m)
Salaries, Wages & Allowances	24,661	24,161
NSSF - Contributions	1,366	330
Staff Retirement Benefits Scheme (Note 38)	4,619	4,678
Gratuity	340	1,685
Staff Welfare including Medical & Canteen costs	3,336	2,980
Training, Workshops and Seminars	1,942	1,819
	<u>36,264</u>	<u>35,653</u>

The average number of persons employed during the year was 969 (2003: 1,023).

9. ADMINISTRATION COSTS

	2004	2003
	U Shs (m)	U Shs (m)
Communication Expenses	1,432	1,182
Water and Power	733	714
Ground rates,Rent & Buildings Insurance	90	106
Repairs & Maintenance - Premises, Furniture & Equip.	1,174	989
Motor Vehicle Expenses	1,233	1,053
Travel Costs	2,111	2,288
Corporate Contributions	2,275	1,992
Publicity & Public Awareness Costs	1,350	404
Directors' Fees and Emoluments	183	65
Printing & Stationery	923	812
Inspection Costs	314	205
Office Expenses	747	574
	<u>12,565</u>	<u>10,384</u>

10. CURRENCY COSTS

	2004	2003
	U Shs (m)	U Shs (m)
Currency Printing	7,908	4,572
Coins Minting	8,014	-
Currency Handling	389	212
	<u>16,311</u>	<u>4,784</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

11. FINANCIAL AND PROFESSIONAL CHARGES

	2004	2003
	U Shs (m)	U Shs (m)
Audit Fees	70	70
Amortisation of Operating Lease	228	-
Consultancy Costs	567	1,522
Other Financial/Professional Charges	86	169
Reserve Management Fees and Expenses	1,470	2,410
Legal Fees	378	93
	<u>2,799</u>	<u>4,264</u>

Reserve management fees relate to portfolio management and custody services rendered during the year. They are recognised on the basis of the applicable service contracts.

12. IMPAIRMENT ON LOANS AND ADVANCES

	2004	2003
	U Shs (m)	U Shs (m)
Commercial Bank Loans	2,499	1,221
Government Accounts	1,689	75
Staff Loans and Advances	1,708	3
Receivables and Prepayments	11	991
DFD Loans Earmarked Funds	371	-
Miscellaneous Provisions Including Obsolete Stock	-	242
	<u>6,278</u>	<u>2,532</u>

13. LOSS ON CASH FLOW HEDGE

	2004	2003
	U Shs (m)	U Shs (m)
Losses on Cashflow Hedge	<u>2,213</u>	<u>3,437</u>
	<u>2,213</u>	<u>3,437</u>

The Bank's externally managed portfolio of investments is denominated in US dollars as the base currency. These investments are held for trading. Any part of this portfolio invested in a currency other than the US dollar is hedged back to the base currency using cash flow hedging instruments. Gains and losses on the cash flow hedging instruments are matched with gains and losses on the hedged items. The ineffective portion of the hedge as at the end of each year is transferred to the income statement.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

14. CASH & CASH EQUIVALENTS

	2004	2003
	U Shs (m)	U Shs (m)
Foreign Currency Held in Banking Dept	182	16,553
Special Drawing Rights Holdings	957	2,068
Balances with External Banks	63,128	106,497
Term Deposits with External Institutions	1,403,439	1,272,471
Treasury Bills Held to Maturity	71,304	9,938
Repurchase Agreements with Federal Reserve Bank	80,840	103,956
Interest Receivable	2,524	6,872
Foreign Cash Collateral	42,899	37,732
World Bank One Year Deposit (see note below)	26,831	29,963
	<u>1,692,104</u>	<u>1,586,050</u>

Foreign Cash collateral is in respect of irrevocable commitments under import letters of credit or facilities granted to the Bank and Uganda Government. Special Drawing Rights (SDR) holdings are holdings of IMF units of currency. The SDR is a steering currency. The World Bank one year deposit is callable at a short notice and has been included as a cash equivalent.

15. INVESTMENTS HELD FOR TRADING

	2004	2003
	U Shs (m)	U Shs (m)
Externally Managed Investments	359,771	393,620
	<u>359,771</u>	<u>393,620</u>

The externally managed fund portfolio of Financial Instruments is classified as “Held for Trading” and is stated at market value less any impairment.

16. DERIVATIVE INSTRUMENTS HELD FOR HEDGING

	U Shs (m)	U Shs (m)	U Shs (m)
As at 30 June 2004			
Pending foreign exchange sales	(207,632)	-	927
As at 30 June 2003			
Pending foreign exchange sales	246,789	<u>5,318</u>	<u>-</u>

The Bank’s investments held for trading are denominated in the United States dollars as the base currency. Any part of this portfolio invested in a currency other than the US dollars is hedged back to the base currency. The Bank uses cash flow hedging to hedge against foreign currency losses on the Held for Trading asset



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

portfolio. The notional amounts represent the value of the commitments to sell foreign currencies which include undelivered or pending spot transactions.

17. INTERNATIONAL MONETARY FUND QUOTA

	2004	2003
	U Shs (m)	U Shs (m)
IMF Quota	<u>473,833</u>	<u>506,763</u>

The International Monetary Fund Quota refers to the Uganda Government total membership capital subscription to the International Monetary Fund. The Quota is stated at its historic cost and restated in Uganda Shillings at the year-end exchange rates. Translation gains/losses are transferred directly to translation reserve.

18. INVESTMENTS AVAILABLE FOR SALE

	2004	2003
	U Shs (m)	U Shs (m)
Unquoted Ordinary Shares in Afrexim Bank at cost	<u>716</u>	<u>801</u>

The investment in African Export Import (Afrexim) Bank is in respect of 100 Class A equity shares at a par value US \$ 400,000. The investment is classified as available for sale, however, its fair value is not reliably determinable due to the lack of quoted market prices or other information on which a fair value estimate to be derived. Accordingly, the investment is stated at cost less any impairment provision determined in accordance with the accounting policy on impairment (Note 2d).

19. LOANS AND ADVANCES TO COMMERCIAL BANKS AND OTHER INSTITUTIONS

	2004	2003
	U Shs (m)	U Shs (m)
Overdrawn Current A/Cs - Closed Banks (see note 21)	26,126	26,126
Long Term Loans to Commercial Banks (see note 20)	6,675	9,098
Currency SWAP (see note 22)	15,026	-
Development Finance Loans to Commercial Banks (see note 23)	136,330	102,626
Uganda Institute of Bankers	49	90
Parastatals	3,780	4,030
Provisions (see below)	<u>(50,174)</u>	<u>(46,785)</u>
	<u>137,812</u>	<u>95,185</u>
Provision on:		
Closed Banks	(26,126)	(26,126)
Long Term Loan to Commercial Banks	(4,140)	(1,222)
Development Finance Loans to Commercial Banks	(18,022)	(17,551)
Parastatals	<u>(1,886)</u>	<u>(1,886)</u>
	<u>(50,174)</u>	<u>(46,785)</u>



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

20. LONG TERM LOANS TO COMMERCIAL BANKS

Long term loans to commercial banks represent restructuring loans that were extended to some commercial banks in 1996 on concessionary terms. In exceptional circumstances, as part of its central banking functions, the Bank may act as “lender of last resort” to financial institutions in difficulty in order to prevent a loss of confidence spreading through the financial system as a whole.

21. OVERDRAWN CURRENT ACCOUNTS – CLOSED BANKS

The amount of Shs 26,126 million represents a claim against the proceeds of closed banks whose accounts were overdrawn at the time of their closure. Since there was no certainty of the recovery of this amount in full, the advance was fully provided for.

22. CURRENCYSWAP

A Currency SWAP is a contract with a commercial bank in which a spot sale/purchase of currencies and a simultaneous commitment to a forward purchase/sale of the same currencies is entered into with the Bank. The forward commitment is to transact at a designated future date and at an agreed upon exchange rate in a specified currency. Currently SWAP contracts are for maturities not exceeding one month. Currency SWAPS are accounted for at their fair value as at the Balance Sheet date with gains and losses arising being recognised in the Income Statement.

23. DEVELOPMENT FINANCE LOANS TO COMMERCIAL BANKS

The Bank manages various lines of credit on behalf of government and other donors and international institutions. These lines of credit are administered through commercial banks and other financial institutions. Development finance loans relate to these facilities. The credit risk for the on-lending of these funds to the ultimate borrower is assumed by the accredited financial institution. Provisions represent loans made through closed banks and development institutions, which did not service their obligations.

24. DOMESTIC INVESTMENTS

	2004	2003
	U Shs (m)	U Shs (m)
Zero Coupon Treasury Bills	200,000	100,000
Treasury Bills	-	30,395
	<u>200,000</u>	<u>130,395</u>

Zero Coupon Treasury bills represent a loan originated by the Bank to Government so as to provide a pool of instruments to the Bank for fine tuning of liquidity in the market through the issue of vertical repurchase (repos) agreements with primary dealer banks.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

The repos are issued for short periods of not more than 30 days and are reflected as liabilities due to commercial banks as at the end of the year. The cost of issuing the Repos is borne by the government. Since the Zero Coupon Treasury bills are issued at no cost to the Bank, the carrying amount is equal to its book value.

25. OTHER ASSETS

	2004	2003
	U Shs (m)	U Shs (m)
Consumable Stores Stock	803	766
Prepayments & Accrued Income	42,389	9,132
Provisions (see below)	(507)	(537)
	<u>42,685</u>	<u>9,361</u>
Provisions on:		
Consumable Stores Stock	(242)	(242)
Prepayments & Accrued Income	(265)	(295)
	<u>(507)</u>	<u>(537)</u>

26. STAFF LOANS AND ADVANCES

	2004	2003
	U Shs (m)	U Shs (m)
Staff Building Loans	8,333	8,819
Staff Loans, Advances and Imprest to Staff	6,711	6,253
Sundry Advances	268	57
Provision for impairment	(1,157)	(43)
	<u>14,155</u>	<u>15,086</u>

27. PREPAID OPERATING LEASE RENTALS

	2004	2,003
	U Shs (m)	U Shs (m)
Deemed Cost	6,970	-
Amortisation	(228)	-
	<u>6,742</u>	<u>-</u>

The Bank valued its property during the year and split leasehold land from property using the values from the professional valuers. Previously it was not possible to establish the historic cost of the leasehold land. The revalued amount has been used as the deemed cost.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

28. PROPERTY, PLANT & EQUIPMENT

Cost or Valuation	Freehold Land Ushs (M)	Leasehold Land Ushs (M)	Buildings Ushs (M)	Plant & Machinery Ushs (M)	Furniture Equipment Ushs (M)	Computer Equipment Ushs (M)	Vehicles Ushs (M)	Capital In- Ushs (M)	Totals Ushs (M)
As at 1 July 2003	-	-	42,440	22,401	5,944	9,594	4,332	4,788	89,499
Revaluation Surplus	-	-	13,520	-	-	-	-	-	13,520
Assets Written Down on Revaluation	-	-	(1,986)	-	-	-	-	-	(1,986)
Valuer's Deemed Cost of Land	321	6,970	(7,291)	-	-	-	-	-	-
Transfer to Operating Lease	-	(6,970)	-	-	-	-	-	-	(6,970)
Additions	-	-	1,191	10,729	534	775	4,592	4,668	22,489
Reclassification	-	-	768	-	1,491	-	-	(2,259)	-
Disposals	-	-	(247)	-	-	-	(475)	-	(722)
As at 30 June 2004	321	-	48,395	33,130	7,969	10,369	8,449	7,197	115,830
Cost	-	-	25,715	33,130	7,969	10,369	8,449	7,197	92,829
Valuation	321	-	22,680	-	-	-	-	-	23,001
	321	-	48,395	33,130	7,969	10,369	8,449	7,197	115,830
Depreciation	-	-	-	-	-	-	-	-	-
As at 1 July 2003	-	-	4,020	9,672	4,796	6,044	2,997	-	27,529
Transfer Excess Depn to Capital Reserve	-	-	(4,636)	-	-	-	-	-	(4,636)
Charge for the Year	-	-	1,921	7,688	934	1,807	1,856	-	14,206
Disposals	-	-	(30)	-	-	-	(446)	-	(476)
As at 30 June 2004	-	-	1,275	17,360	5,730	7,851	4,407	-	36,623
Net Book Value	-	-	-	-	-	-	-	-	-
As at 30 June 2004	321	-	47,120	15,770	2,239	2,518	4,042	7,197	79,207
As at 30 June 2003	-	-	38,420	12,729	1,148	3,550	1,335	4,788	61,970



Bank of Uganda

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

Independent professional valuers, Bageine & Company, revalued land and buildings as at 30 April 2004, on an open market with existing use basis.

Capital-work- in-progress represents certified construction work on currency centres buildings, which are not complete. Increases in the carrying amounts arising on revaluation and the net decreases on revaluation that offset previous increases on the same asset have been transferred to Capital Reserves. Excess depreciation as at the date of revaluation (30 April 2004) on assets with net revaluation surpluses was also transferred to Capital Reserves.

Items disposed of were in respect of furniture, which had been fully written off and accounted for in a pool. All proceeds are credited directly to the income and expenditure account.

29. ADVANCES TO GOVERNMENT

	2004	2003
	U Shs (m)	U Shs (m)
Government Ministries	243,102	91,022
Government Project Accounts	494	494
Uganda Consolidated Fund	917,862	1,415,534
Deferred Government Expenditure (see note 30)	71,235	36,736
Provisions (see below)	<u>(12,073)</u>	<u>(10,765)</u>
	<u>1,220,620</u>	<u>1,533,021</u>
Provisions on:		
Government Ministries	(1,609)	(405)
Government Project Accounts	(494)	-
Deferred Government Expenditure	<u>(9,970)</u>	<u>(10,360)</u>
	<u>(12,073)</u>	<u>(10,765)</u>

30. DEFERRED GOVERNMENT EXPENDITURE

Deferred government expenditure mainly relates to payments made on behalf of Government that are not yet provided for in the national budget.

31. SDR ALLOCATION

	2004	2003
	U Shs (m)	U Shs (m)
Special Drawing Rights (SDR) Allocation	<u>77,168</u>	<u>82,531</u>

The balance on Special Drawing Rights (SDR) Allocation holding relates to an allocation of SDR by International Monetary Fund for financing exchange stabilisation operations. This is in proportion to each member's Quota in the Fund at the time of issuance. The balance on this account was revalued at the year-end exchange rate.



Bank of Uganda

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

32. OTHER FOREIGN LIABILITIES

	2004	2003
	U Shs (m)	U Shs (m)
Bank of Foreign Trade USSR	729	729
Multilateral Investment Guarantee Agency	39	40
IDA Subscription	55	-
	823	769

33. CURRENCY IN CIRCULATION

	2004	2003
	U Shs (m)	U Shs (m)
Notes	575,516	495,374
Coins	32,253	27,357
Cash Held in Banking	(2,376)	(2,378)
Demonetised Currency	(100)	(100)
Office Imprest	(38)	(86)
	605,255	520,167

Cash held in banking relates to cashiers' cash on hand as at 30 June 2004.

34. UCBL SALES PROCEEDS

	2004	2003
	U Shs (m)	U Shs (m)
Sale Proceeds - 80% of UCBL	34,501	34,501
Cash Received from UCBL	8,493	8,493
Compensation for Delay in Observing Contract Terms	1,050	1,050
Proceeds of Sale of Excluded Assets	2,089	2,089
Rental Income from UCBL Assets	159	159
Settlement of Inter Bank Credit Balances in UCBL	952	952
	47,244	47,244
Settlement of Inter Bank Debit Balances in UCBL	(2,710)	(2,710)
Retrenchment Costs of UCBL Staff to Date	(9,040)	(5,298)
Consultancy Costs	(3,880)	(4,144)
Legal Costs	(1,295)	(985)
Arbitration Charges	(3,167)	-
Compensation for Maintenance of Up-Country Branches	(253)	(253)
Miscellaneous Expenses	(112)	(119)
Provision for Unpaid Liabilities (Net) (see details below)	(1,411)	-
	25,376	33,735



Bank of Uganda

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

The Bank completed the resolution of Uganda Commercial Bank Ltd (UCBL) on 21 February 2003 with the sale of the majority shares (80%) to Standard Bank Investment Corporation (Stanbic) through its subsidiary Stanbic (U) Ltd. Under the sale agreement, the Bank, on behalf of the shareholders, undertook to fulfil certain warranties, such as the payment of retrenchment costs for up to five hundred staff. The net proceeds of the sale of the UCBL would be paid to the shareholders on the expiry of all warranty conditions. The provision for the unpaid liabilities of Shs 1,411 million is the net of excluded assets and excluded liabilities.

Provisions for unpaid Liabilities	NBV	Proceeds	Unsold/ Outstanding
Amounts due on Disposal of Properties			
1 Block 243,Block 435,671,753,Luzira *	230	136	
2 Plot 50 Martyrs Way,Ntinda	42	42	
3 Plot 15 Nkonkojeru,Mbale	42		42
4 UCBL Bank Premises,Omugo,Arua	6		6
5 Plot 4 ,Republic Road Moyo	6	5	
6 Plot 29,Secondary School Road Moyo	4	4	
7 Difference in Total Assets Transferred to BOU			
	330	187	48
Balance on Motor Vehicles sold to Staff			
Recoverable from Staff	1	1	
	331	188	48
Difference in Subsidiary Ledger transferred from Mubende			
Difference between Ledgers at Time of Computerisation	1		1
Rural Farmers Scheme Inputs(Kapchorwa,Mbale and Kitgum)			
Outstanding Amount in Branch Ledgers Re RFS	4		4
	336	188	53
Property and Equipment			
Nkrumah Road Building			
	Cost 1,310		
	Depn (159)		
	NBV	1,151	1,900
Total Assets Transferred to BOU	1,487	2,088	
TOTAL LIABILITIES TAKEN OVER	(1,487)	23	(1,464)
PROVISION FOR UNPAID LIABILITIES			(1,411)



Bank of Uganda

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

35. COMMERCIAL BANKS DEPOSITS

	2004	2003
	U Shs (m)	U Shs (m)
Current Accounts	208,774	114,512
Collection from Closed Bank Loans	44,907	36,939
Physical Cash Recovered from Closed Commercial Banks	11,238	11,237
Repos Collection Account	57,152	65,500
Obligation Under SWAP Arrangement (also see note 22)	15,250	-
	<u>337,321</u>	<u>228,188</u>

36. COMMERCIAL GOVERNMENT DEPOSITS

	2004	2003
	U Shs (m)	U Shs (m)
Government Ministries	380,080	261,872
Government Project Accounts	118,903	452,964
Government Capital Accounts	1,251,056	1,063,965
IMF Poverty Reduction Fund (see note 37)	365,064	485,310
Government Income Accounts	-	71,158
Government Deposits for Forex	4,632	2,838
Government Deposits for LCs	14,968	12,569
Special Divestiture	345	694
Government of Uganda Managed Funds through DFD	139,257	86,521
	<u>2,274,305</u>	<u>2,437,891</u>

Included in the Government Capital Accounts are Treasury bills and Treasury Bonds held at the Bank. The securities are rediscountable at the Bank at a rediscount rate well over the secondary market rate. The book value is therefore greater than the carrying amount. The government managed fund through DFD is stated net after taking into consideration the likely irrecoverable loans of Shs 18,022 million.

36. IMF REDUCTION FUND POVERTY

The Bank, on behalf of Government, manages loans obtained from International Monetary Fund. While these balances are reflected in the financial statements, the cost of servicing the debt is included as a debt repayable by the Government and revaluation losses arising from their restatement at the year-end exchange rate are charged to the translation reserve. Charges on International Monetary Fund loans and deposits are debited to the income and expenditure account.

37. RECOGNISED RETIREMENT BENEFITS OBLIGATION

The liability in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date minus the fair value of plan assets, together with adjustments for unrecognised actuarial gains/losses.



Bank of Uganda

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

The defined benefit obligation is calculated by independent actuaries using the projected unit credit method every 3 years. The actuarial certification was done at 30 June 2004.

The amounts recognised in the balance sheet are as follows:

	2004	2003
	U Shs (m)	U Shs (m)
Present Value of Funded Defined Benefit Obligations	37,989	34,839
Fair Value of Plan Assets	<u>(30,000)</u>	<u>(24,709)</u>
Present Value of Unfunded Defined Benefits Obligation	7,989	10,130
Unrecognised Actuarial Gain	677	465
Unrecognised Transitional Loss	<u>(7,480)</u>	<u>(9,974)</u>
	<u>1,186</u>	<u>621</u>

The amounts recognised in the income statement are as follows:

	2004	2003
	U Shs (m)	U Shs (m)
Current Service Cost	1,367	1,287
Interest Cost	2,858	2,568
Expected Return on Plan Assets	(2,109)	(1,671)
Net Actuarial (Gains) Losses Recognised in the Year	2,494	2,494
Past Service Cost	-	-
Losses (Gains) on Curtailment	-	-
Total Included in Staff Costs	<u>4,610</u>	<u>4,678</u>

Movement in liability recognised in the balance sheet.

The principal actuarial assumptions in real terms were as follows:

	2004	2003
	U Shs (m)	U Shs (m)
At 1 July	621	-
Expenditure for the Year	4,610	4,678
Contributions Paid	<u>(4,045)</u>	<u>(4,057)</u>
At 30 June	<u>1,186</u>	<u>621</u>

Discount Rate	8.00%
Expected Return on Plan Assets	8.00%
Future Salary Increase	6.25%
Future Pension Increase	5.00%



Bank of Uganda

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

38. OTHER LIABILITIES

	2004	2003
	U Shs (m)	U Shs (m)
Deposits from Other Institutions	3,621	757
Amounts due to Retirement Benefits Scheme - see note 2 (p)	18,294	5,978
Amounts due to Deposit Protection Fund	19,508	13,477
Accounts Payable	8,688	3,970
Other Creditors	4,801	5,528
Provision for unpaid UCBL liabilities	1,411	-
	<u>56,323</u>	<u>29,710</u>

The Bank manages and controls the Deposit Protection Fund (DPF) in accordance with section 108-111 of the Financial Institutions Act 2004 (FIA). The DPF is a self-accounting fund and is audited separately by an independent firm of Auditors. The balance on the account represents an amount due from the Bank to the DPF.

39. SHARECAPITAL

	2004	2003
	U Shs (m)	U Shs (m)
Authorised 30,000,000,000 of Ushs 1.00 Each	<u>30,000</u>	<u>30,000</u>
Issued And Fully Paid 20,000,000,000 Of Ushs 1.00 Each	<u>20,000</u>	<u>20,000</u>

40. RESERVES

	2004	Restated 2003
	U Shs (m)	U Shs (m)
Translation Reserve	220,478	325,702
Capital Reserve	28,545	10,952
Investment Revaluation Reserve	-	3,447
Revenue Reserve	76,131	98,115
General Reserve	100	100
	<u>325,254</u>	<u>438,316</u>



Bank of Uganda

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

41. EARMARKED FUNDS

i. Earmarked Development Funds

	2004	2003
	U Shs (m)	U Shs (m)
Balance Development Funds b/wd	30,328	17,476
Transfer from BOU Reserves	-	6,800
Repayment/(Borrowing) - EFF Capital Movement	(4,200)	5,000
Income Net of Expenses	388	1,052
	26,516	30,328
Provision on EFF Loans	(5,758)	(5,387)
Balance Development Funds c/wd	20,758	24,941
Accumulated Staff Building Loan Fund - see 42 (b)	10,028	9,768
	30,786	34,709

Ear marked funds represent amounts set aside from reserves by the Bank for purposes of financing development projects through accredited financial institutions.

ii. Earmarked Building Loan Fund

	2004	2003
	U Shs (m)	U Shs (m)
Staff Building Loan Fund is represented by		
Capital Fund	8,138	8,138
<u>Income to Date</u>		
Interest	1,310	1,050
Investment Income	580	580
Accumulated Staff Building Loan Fund	10,028	9,768

In order to facilitate staff ownership of homes, the Bank set up a revolving fund out of its reserves. The interest on loans accrues to the staff building loan fund and all loan losses and provisions are borne by the fund. The fund is managed internally.



Bank of Uganda

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004 (Continued)

42. CONTINGENT LIABILITIES AND COMMITMENTS

Contingent liabilities and commitments, some of which are offset by corresponding obligations of third parties, arise in the normal course of business, including contingent liabilities in respect of guarantees and indemnities in connection with liquidity support operations.

i. Legal Proceedings

There were a number of legal proceedings against the Bank as at 30 June 2004. No provision has been made as the Bank's Legal Counsel advice indicates that it is unlikely that any significant loss will arise.

ii. Capital Commitments

As at 30 June 2004, the Bank's capital commitments in respect of plant and equipment, bullion vans, office machine and equipment and building works amounted to Shs 15,232 million. The Bank's management is confident that the net revenues and funding will be sufficient to cover this commitment.

43. CURRENCY

The financial statements are presented in Uganda shillings.



PART III

APPENDIX TABLES



Bank of Uganda

Bank of Uganda





Appendix 1: Macro-Economic Indicators

	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Real Sector									
GDP, Shs billion	5,565	6,048	7,576	8,203	8,955	9,978	10,261	11,798	13,168
GDP (at constant prices), Shs billion 1/	2,853	2,982	7,576	8,195	8,641	9,069	9,650	10,115	10,708
GDP (Annual Change %)	7.78	4.54	5.40	8.17	5.44	4.96	6.41	4.82	5.86
Industrial Production, Annual % Change	...	...	...	19.9	3.9	7.57	7.2	4.9	0
Prices									
Annual Inflation, (%)									
End of Period	5.4	10.4	-0.9	5.3	1.9	5.9	-2.5	10.2	0.9
Period Average	7.5	7.7	5.8	0.2	5.8	4.5	-2.0	5.7	5.2
Exchange Rate (Sh/US\$)									
End of Period	1,041.36	1,067.59	1,231.02	1,447.22	1,565.57	1,767.64	1,797.17	1,998.23	1,818.66
Period Average	1,011.80	1,058.10	1,149.70	1,362.03	1,512.78	1,762.92	1,754.56	1,882.86	1,934.88
Interest Rates(% p.a., eop)									
Bank Rate	15.40	15.10	14.58	11.15	26.99	9.07	8.33	19.58	12.87
Rediscount Rate	14.10	12.00	10.07	9.72	25.28	8.07	7.33	18.58	11.87
Reference Rate	11.75	9.76	7.07	7.72	19.28	6.07	5.33	18.12	6.17
Lending Rate	20.77	21.70	21.48	22.96	21.91	21.74	17.57	18.34	20.88
91 - day Treasury Bill Rate	11.75	9.76	6.95	8.12	18.36	5.98	5.26	18.51	6.39
Financial Sector									
Money Supply, M3 (Shs billion)	684.1	809.1	1,020.0	1,160.5	1,347.2	1,583.7	1,925.4	2,373.4	2,587.3
Money Supply, M2 (Shs billion)	609.0	705.6	873.1	952.7	1,036.3	1,193.4	1,490.6	1,749.2	1,924.9
Base Money (Shs billion)	280.5	331.7	378.6	460.5	509.2	559.6	661.6	696.1	867.1
M2 growth (% p.a.)	20.7	15.8	23.7	9.1	8.8	15.2	24.9	17.3	10.0
M3 growth (% p.a.)	19.7	18.3	26.1	13.8	16.1	17.6	21.6	23.3	9.0
CIC/M2 (%)	34.5	31.3	28.1	29.9	29.6	29.3	27.3	26.7	27.5
Growth in money demand (%)	15.4	5.4	24.7	3.8	6.9	9.3	...	...	...
M2 Velocity	10.0	9.2	8.7	8.1	8.3	8.3	18.8	20.1	19.6
M3 Velocity	8.9	8.1	7.5	6.8	6.5	6.2	14.5	14.8	14.6
External Sector									
Exports, US\$ millions	588.03	683.51	458.41	549.14	459.90	458.30	474.04	507.91	647.18
o/w Coffee	404.37	365.62	268.86	306.74	186.87	109.64	85.25	105.47	114.13
Imports (goods), US\$ millions	-1,241.27	-1,307.73	-966.16	-1,039.42	-954.33	-953.29	-1,065.63	-1,130.51	-1,321.21
Current account balance (excluding grants)	-525.45	-521.62	-863.39	-889.59	-781.11	-812.87	-809.69	-869.14	-856.33
Current account balance (including grants)	-232.40	-221.41	-356.35	-451.13	-414.32	-275.44	-324.02	-357.87	-141.80
Overall Balance, US\$ millions	19.56	104.84	9.58	-120.66	-106.87	-1.43	107.65	55.80	182.65
Debt Service ratio, incl IMF	28.78	24.30	37.89	32.31	38.45	24.92	24.83	26.70	24.62
Total External Reserves (US \$ million)	479.70	621.90	750.50	748.10	719.40	738.70	872.90	964.16	1,133.32
External Reserves (months of imports)	5	6	7	6	6	6	7	7	6
Macro-economic Linkages									
M1/GDP (%)	7.7	8.0	8.2	8.7	8.8	9.1	11.0	11.1	14.9
M2/GDP (%)	10.9	11.7	12.7	11.6	11.6	12.0	14.5	14.8	14.6
Private sector credit/GDP (%)	6.0	5.8	6.2	6.7	6.1	5.7	6.5	7.2	7.6
Exports to GDP (%)	10.7	12.0	6.9	9.2	7.8	8.1	8.1	8.2	9.7
Imports to GDP (%)	18.9	15.1	14.1	16.6	15.6	16.6	17.2	18.2	19.8
C/A (excl grants) to GDP (%)	-14.5	-9.4	-13.1	-14.8	-13.2	-14.3	-13.9	-14.0	-12.8
Fiscal Deficit (Cash Basis) to GDP (%)	-2.7	-2.1	-0.7	-1.3	-3.3	-3.9	-6.1	-4.7	-1.4
Fiscal Deficit (Excluding Grants) to GDP (%)	-8.5	-7.2	-6.5	-6.8	-10.2	-12.6	-14.2	-12.3	-11.8

Source: Bank of Uganda



Appendix 2: Gross Domestic Product at Factor Cost (current prices, million shs).

Industry	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Monetary Economy							
Agriculture	1,614,339	1,612,882	1,664,247	1,795,414	1,652,722	2,018,500	2,222,483
Cash Crops	314,155	318,733	294,815	227,899	203,762	335,421	391,391
Food Crops	838,069	808,461	875,700	1,031,501	860,477	1,052,752	1,144,459
Livestock	248,514	265,723	275,799	290,756	302,053	321,446	344,586
Forestry	46,115	48,054	54,073	61,215	64,018	71,374	79,045
Fishing	167,485	171,912	163,859	184,042	222,411	237,508	263,001
Mining & Quarrying	46,774	55,319	62,923	73,660	80,299	86,268	103,930
Manufacturing	616,861	715,014	769,478	876,840	938,104	1,009,844	1,141,782
Formal	420,090	510,609	547,451	635,467	682,238	739,791	843,053
Informal	196,771	204,405	222,027	241,373	255,866	270,053	298,729
Electricity & Water	97,353	104,598	112,429	123,420	135,566	148,280	164,411
Construction	434,057	543,740	620,353	703,761	794,111	952,326	1,158,369
Wholesale & Retail Trade	768,762	866,904	920,395	1,052,716	1,068,657	1,208,417	1,347,098
Hotels & Restaurants	144,555	164,897	195,410	231,813	268,215	304,618	367,693
Transport & Communication	332,280	369,806	430,101	498,316	579,687	708,764	867,500
Road	246,264	269,789	301,590	332,508	371,729	409,265	447,892
Rail	9,265	11,235	16,048	19,100	16,698	15,603	18,379
Air & Support Services	31,426	34,022	37,926	42,710	44,807	57,780	68,634
Communications	45,325	54,760	74,537	103,998	146,454	226,116	332,594
Community Services	1,309,433	1,470,880	1,667,346	1,842,439	2,143,870	2,360,695	2,502,038
General Government	275,000	306,686	348,297	381,177	483,349	510,385	539,653
Education	357,217	406,093	495,882	545,657	640,737	718,800	808,752
Health	138,738	156,926	177,476	192,767	234,141	268,471	271,135
Rents	280,424	326,869	348,587	382,726	423,138	457,602	487,026
Miscellaneous	258,054	274,307	297,104	340,112	362,505	405,437	395,473
Total Monetary	5,364,414	5,904,040	6,442,682	7,198,380	7,661,232	8,797,712	9,875,304
Non-Monetary Economy							
Agriculture	1,287,212	1,235,081	1,386,004	1,555,184	1,261,353	1,498,428	1,622,027
Food Crops	1,055,211	985,472	1,117,857	1,265,861	956,319	1,168,980	1,262,996
Livestock	129,192	142,345	151,683	161,764	171,480	184,123	200,580
Forestry	81,685	85,581	95,796	104,347	105,502	115,368	125,280
Fishing	21,124	21,683	20,667	23,213	28,052	29,956	33,171
Construction	44,195	45,809	50,159	54,225	54,958	60,084	65,224
Owner-Occupied Dwellings	234,938	279,683	306,891	347,252	390,397	428,491	462,021
Total Non-Monetary	1,566,346	1,560,573	1,743,054	1,956,661	1,706,708	1,987,003	2,149,273
GDP at Factor Cost	6,930,760	7,464,613	8,185,736	9,155,041	9,367,940	10,784,715	12,024,577
Percapita GDP (Shs.)	326,369	339,167	363,692	394,215	389,447	434,783	468,661

Source: Uganda Bureau of Statistics



Appendix 3: Gross Domestic Product at Factor Cost (constant 1997/98 prices, million shs).

Industry	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Monetary Economy							
Agriculture	1,614,339	1,720,551	1,810,367	1,892,403	1,999,337	2,077,760	2,120,167
Cash Crops	314,155	343,279	367,191	349,323	375,279	392,369	402,691
Food Crops	838,069	900,513	953,675	1,032,146	1,091,166	1,131,994	1,150,696
Livestock	248,514	258,761	267,385	277,544	289,772	301,050	304,431
Forestry	46,115	49,044	53,299	57,819	61,406	64,819	68,446
Fishing	167,485	168,953	168,818	175,570	181,713	187,528	193,904
Mining & Quarrying	46,774	53,573	56,972	62,753	69,680	70,517	81,386
Manufacturing	616,861	703,561	729,210	794,103	836,074	871,619	926,679
Formal	420,090	498,929	515,332	569,849	600,897	627,521	675,771
Informal	196,771	204,631	213,878	224,253	235,177	244,099	250,908
Electricity & Water	97,353	102,540	110,690	119,750	126,212	131,667	139,926
Construction	434,057	489,770	509,874	516,355	585,598	653,511	760,752
Wholesale & Retail Trade	768,762	852,758	865,423	921,733	978,994	1,023,686	1,066,899
Hotels & Restaurants	144,555	164,568	195,293	209,142	246,976	265,416	299,400
Transport & Communication	332,280	355,086	385,230	422,309	474,481	554,024	646,569
Road	246,264	261,907	275,086	290,942	312,021	329,545	345,968
Rail	9,265	10,876	12,981	13,613	13,869	13,650	13,784
Air & Support Services	31,426	30,104	29,450	28,153	28,591	33,206	37,171
Communications	45,325	52,199	67,713	89,601	120,001	177,624	249,647
Community Services	1,309,433	1,375,524	1,481,093	1,516,916	1,623,317	1,677,167	1,765,070
General Government	275,000	285,847	298,870	299,379	325,498	299,949	311,065
Education	357,217	374,984	429,394	440,975	472,546	507,454	552,421
Health	138,738	151,696	163,498	155,448	167,545	179,722	176,668
Rents	280,424	297,915	312,704	327,698	344,818	361,835	378,582
Miscellaneous	258,054	265,083	276,626	293,416	312,910	328,205	346,334
Total Monetary	5,364,414	5,817,932	6,144,151	6,455,463	6,940,670	7,325,367	7,806,848
Non-Monetary Economy							
Agriculture	1,287,212	1,349,795	1,431,510	1,497,836	1,523,730	1,525,338	1,548,996
Food Crops	1,055,211	1,108,053	1,177,948	1,231,628	1,244,459	1,232,753	1,250,443
Livestock	129,192	135,022	141,948	149,922	159,205	168,409	170,075
Forestry	81,685	85,410	90,321	94,141	97,147	100,524	104,022
Fishing	21,124	21,309	21,292	22,144	22,919	23,652	24,456
Construction	44,195	45,718	47,292	48,921	50,606	52,353	54,157
Owner-Occupied Dwellings	234,938	254,908	275,301	297,325	318,138	338,816	359,145
Total Non-Monetary	1,566,346	1,650,421	1,754,103	1,844,082	1,892,473	1,916,507	1,962,298
GDP at Factor Cost	6,930,760	7,468,352	7,898,254	8,299,545	8,833,144	9,241,875	9,769,146
Net taxes on products and imports	645,547	726,846	742,944	769,908	817,285	873,264	939,064
GDP at Market Prices	7,576,307	8,195,198	8,641,198	9,069,452	9,650,429	10,115,139	10,708,211
Per capita GDP (Shs.)	326,369	338,643	350,716	356,942	366,889	371,986	380,305

Source: Uganda Bureau of Statistics



Appendix 4: Gross Domestic Product at Factor Cost (constant 1997/98 prices, percent of total).

Industry	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Monetary Economy							
Agriculture	23.29	23.04	22.92	22.80	22.63	22.48	21.70
Cash Crops	4.53	4.60	4.65	4.21	4.25	4.25	4.12
Food Crops	12.09	12.06	12.07	12.44	12.35	12.25	11.78
Livestock	3.59	3.46	3.39	3.34	3.28	3.26	3.12
Forestry	0.67	0.66	0.67	0.70	0.70	0.70	0.70
Fishing	2.42	2.26	2.14	2.12	2.06	2.03	1.98
Mining & Quarrying	0.67	0.72	0.72	0.76	0.79	0.76	0.83
Manufacturing	8.90	9.42	9.23	9.57	9.47	9.43	9.49
Formal	6.06	6.68	6.52	6.87	6.80	6.79	6.92
Informal	2.84	2.74	2.71	2.70	2.66	2.64	2.57
Electricity & Water	1.40	1.37	1.40	1.44	1.43	1.42	1.43
Construction	6.26	6.56	6.46	6.22	6.63	7.07	7.79
Wholesale & Retail Trade	11.09	11.42	10.96	11.11	11.08	11.08	10.92
Hotels & Restaurants	2.09	2.20	2.47	2.52	2.80	2.87	3.06
Transport & Communication	4.79	4.75	4.88	5.09	5.37	5.99	6.62
Road	3.55	3.51	3.48	3.51	3.53	3.57	3.54
Rail	0.13	0.15	0.16	0.16	0.16	0.15	0.14
Air & Support Services	0.45	0.40	0.37	0.34	0.32	0.36	0.38
Communications	0.65	0.70	0.86	1.08	1.36	1.92	2.56
Community Services	18.89	18.42	18.75	18.28	18.38	18.15	18.07
General Government	3.97	3.83	3.78	3.61	3.68	3.25	3.18
Education	5.15	5.02	5.44	5.31	5.35	5.49	5.65
Health	2.00	2.03	2.07	1.87	1.90	1.94	1.81
Rents	4.05	3.99	3.96	3.95	3.90	3.92	3.88
Miscellaneous	3.72	3.55	3.50	3.54	3.54	3.55	3.55
Total Monetary	77.40	77.90	77.79	77.78	78.58	79.26	79.91
Non-Monetary Economy							
Agriculture	18.57	18.07	18.12	18.05	17.25	16.50	15.86
Food Crops	15.23	14.84	14.91	14.84	14.09	13.34	12.80
Livestock	1.86	1.81	1.80	1.81	1.80	1.82	1.74
Forestry	1.18	1.14	1.14	1.13	1.10	1.09	1.06
Fishing	0.30	0.29	0.27	0.27	0.26	0.26	0.25
Construction	0.64	0.61	0.60	0.59	0.57	0.57	0.55
Owner-Occupied Dwellings	3.39	3.41	3.49	3.58	3.60	3.67	3.68
Total Non-Monetary	22.60	22.10	22.21	22.22	21.42	20.74	20.09
GDP at Factor Cost	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: Uganda Bureau of Statistics



Appendix 5: Gross Domestic Product at Factor Cost (constant 1997/98 prices, percent growth rates).

Industry	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Monetary Economy						
Agriculture	6.58	5.22	4.53	5.65	3.92	2.04
Cash Crops	9.27	6.97	-4.87	7.43	4.55	2.63
Food Crops	7.45	5.90	8.23	5.72	3.74	1.65
Livestock	4.12	3.33	3.80	4.41	3.89	1.12
Forestry	6.35	8.68	8.48	6.20	5.56	5.59
Fishing	0.88	-0.08	4.00	3.50	3.20	3.40
Mining & Quarrying	14.54	6.34	10.15	11.04	1.20	15.41
Manufacturing	14.06	3.65	8.90	5.29	4.25	6.32
Formal	18.77	3.29	10.58	5.45	4.43	7.69
Informal	3.99	4.52	4.85	4.87	3.79	2.79
Electricity & Water	5.33	7.95	8.18	5.40	4.32	6.27
Construction	12.84	4.10	1.27	13.41	11.60	16.41
Wholesale & Retail Trade	10.93	1.49	6.51	6.21	4.57	4.22
Hotels & Restaurants	13.84	18.67	7.09	18.09	7.47	12.80
Transport & Communication	6.86	8.49	9.63	12.35	16.76	16.70
Road	6.35	5.03	5.76	7.24	5.62	4.98
Rail	17.39	19.35	4.87	1.88	-1.58	0.98
Air & Support Services	-4.21	-2.17	-4.41	1.56	16.14	11.94
Communications	15.17	29.72	32.33	33.93	48.02	40.55
Community Services	5.05	7.67	2.42	7.01	3.32	5.24
General Government	3.94	4.56	0.17	8.72	-7.85	3.71
Education	4.97	14.51	2.70	7.16	7.39	8.86
Health	9.34	7.78	-4.92	7.78	7.27	-1.70
Rents	6.24	4.96	4.79	5.22	4.94	4.63
Miscellaneous	2.72	4.35	6.07	6.64	4.89	5.52
Total Monetary	8.45	5.61	5.07	7.52	5.54	6.57
Non-Monetary Economy						
Agriculture	4.86	6.05	4.63	1.73	0.11	1.55
Food Crops	5.01	6.31	4.56	1.04	-0.94	1.44
Livestock	4.51	5.13	5.62	6.19	5.78	0.99
Forestry	4.56	5.75	4.23	3.19	3.48	3.48
Fishing	0.88	-0.08	4.00	3.50	3.20	3.40
Construction	3.44	3.44	3.44	3.44	3.45	3.44
Owner-Occupied Dwellings	8.50	8.00	8.00	7.00	6.50	6.00
Total Non-Monetary	5.37	6.28	5.13	2.62	1.27	2.39
GDP at Factor Cost	7.76	5.76	5.08	6.43	4.63	5.71

Source: Uganda Bureau of Statistics



Appendix 6: Gross Domestic Product at Current Market Prices

GDP at current market prices (million shs)							
	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
GDP at factor Cost	6,888,596	7,405,313	8,214,269	9,210,318	9,412,317	10,870,782	12,121,461
Indirect Taxes	696,227	764,931	769,473	822,609	893,110	1,013,612	1,120,201
GDP at Market Prices	7,584,823	8,170,244	8,983,742	10,032,927	10,305,427	11,884,394	13,241,662
Expenditure on GDP at current market prices (million shs)							
Expenditure Item	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2002/03
Private Consumption	6,095,101	6,419,441	7,069,882	8,095,996	8,250,341	9,285,061	10,169,802
of which - Foodcrops	2,075,597	1,966,834	2,220,442	2,561,180	2,030,148	2,379,493	2,578,857
- Other Goods	2,343,502	2,594,149	2,849,055	3,119,609	3,390,163	3,660,717	3,931,271
- Services	1,676,002	1,858,457	2,000,386	2,415,208	2,830,030	3,244,852	3,659,674
Government Consumption	975,765	1,094,001	1,239,195	1,341,228	1,563,149	1,666,725	1,767,668
Fixed Capital Formation	1,184,923	1,566,986	1,715,147	1,765,600	1,941,287	2,368,060	2,970,959
Private	365,111	508,802	550,199	546,121	539,902	552,952	659,619
Public	819,812	1,058,183	1,164,948	1,219,479	1,401,385	1,815,109	2,311,339
Construction	885,767	1,099,945	1,255,416	1,262,945	1,424,739	1,711,316	2,084,872
Private	288,596	351,628	375,471	381,700	377,740	376,129	357,074
Public	597,171	748,318	879,946	881,245	1,046,999	1,335,187	1,727,798
Machinery & Vehicles	299,156	467,040	459,730	502,655	516,548	656,744	886,086
Private	76,514	157,175	174,728	164,421	162,162	176,822	302,545
Public	222,642	309,866	285,002	338,234	354,386	479,922	583,541
Net Change in stock	39,591	23,182	28,514	39,975	40,438	46,168	50,664
Plus Exports	750,433	1,019,499	940,797	1,134,714	1,222,383	1,441,932	1,787,149
Goods	548,722	766,161	633,183	748,560	827,628	934,821	1,120,108
Services	201,711	253,338	307,614	386,154	394,755	507,112	667,041
Less Imports	1,544,644	1,981,677	2,059,426	2,450,010	2,710,916	3,119,168	3,649,771
Goods, fob	1,072,727	1,356,404	1,394,921	1,659,443	1,761,363	2,128,721	2,556,305
Services	471,917	625,273	664,505	790,567	949,554	990,447	1,093,466
Total Expenditure on GDP	7,461,939	8,141,432	8,934,109	9,927,504	10,306,681	11,688,780	13,096,471
Statistical Discrepances	114,368	61,309	21,100	50,146	(45,631)	109,547	71,207
GDP at Market Prices	7,584,823	8,170,244	8,983,742	10,032,927	10,305,427	11,884,394	13,241,662

Source: Uganda Bureau of Statistics



Appendix 7: Gross Domestic Product at Current Market Prices

GDP at Constant 1997/98 market prices (million shs).							
	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
GDP at factor Cost	7,576,307	7,393,862	7,921,208	8,339,487	8,867,110	9,300,693	9,836,219
Indirect Taxes	696,227	779,152	746,065	771,646	822,928	890,850	962,501
GDP at Market Prices	8,272,534	8,173,014	8,667,273	9,111,133	9,690,038	10,191,543	10,798,720
Expenditure on GDP at Constant 1997/98 market prices (million shs).							
Expenditure Item	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Private Consumption	6,055,871	6,502,353	6,845,331	7,378,337	7,867,125	8,213,257	8,587,308
of which - Foodcrops	2,072,731	2,201,221	2,376,048	2,525,394	2,608,317	2,534,064	2,573,219
- Other Goods	2,335,457	2,551,274	2,668,023	2,793,359	2,966,206	3,149,681	3,368,521
- Services	1,647,684	1,749,858	1,801,260	2,059,583	2,292,601	2,529,512	2,645,567
Government Consumption	975,765	1,022,451	1,092,042	1,091,728	1,156,229	1,152,637	1,182,648
Fixed Capital Formation	1,184,923	1,382,842	1,381,487	1,279,772	1,422,865	1,573,296	1,832,102
Private	819,812	958,182	970,410	920,277	1,066,240	1,249,756	1,482,951
Public	365,111	424,659	411,077	359,495	356,625	323,540	349,151
Construction	885,767	998,172	1,041,628	939,316	1,064,544	1,189,677	1,384,780
Private	597,171	702,967	759,720	691,186	820,408	969,423	1,188,363
Public	288,596	295,205	281,908	248,130	244,136	220,254	196,418
Machinery & Vehicles	299,156	384,670	339,860	340,456	358,321	383,619	447,322
Private	222,642	255,215	210,690	229,091	245,832	280,333	294,588
Public	76,514	129,454	129,169	111,365	112,489	103,286	152,734
Net Change in stock	39,591	22,471	31,190	45,471	38,955	40,565	46,487
Exports	750,433	946,772	877,782	1,004,274	1,127,053	1,187,708	1,342,802
Goods	548,722	725,609	633,009	734,858	852,488	855,945	919,912
Services	201,711	221,163	244,773	269,416	274,565	331,764	422,890
Imports	1,544,644	1,728,403	1,641,139	1,741,406	1,972,783	2,012,081	2,148,378
Goods, fob	1,072,727	1,205,898	1,132,555	1,211,054	1,336,390	1,423,363	1,553,402
Services	471,917	522,505	508,584	530,352	636,394	588,719	594,976
Total Expenditure on GDP	7,461,939	8,148,486	8,586,693	9,058,174	9,639,443	10,155,382	10,842,970
Statistical Discrepances	114,368	46,712	54,505	11,278	10,986	-40,243	-134,759
GDP at Market Prices	7,576,307	8,195,198	8,641,198	9,069,452	9,650,429	10,115,139	10,708,211

Source: Uganda Bureau of Statistics



Appendix 8: Balance of Payments (million US\$)

	1997	1998	1999	2000	2001	2002	2003
A: Current Account Balance (A1+A2+A3)	-320.97	-360.71	-347.33	-327.06	-312.45	-323.15	-339.67
A1. Goods Account(Trade Balance)	-293.39	-488.87	-444.78	-453.85	-499.89	-572.59	-678.48
a) Total Exports (fob)	592.63	510.20	485.76	460.00	475.55	480.70	563.02
Coffee	310.36	294.97	274.35	125.39	97.63	96.63	99.11
b) Total Imports (fob)	-886.02	-999.07	-930.53	-913.85	-975.44	-1,053.29	-1,241.50
Government Imports	-174.20	-204.98	-188.54	-171.66	-125.25	-136.99	-165.20
Project imports	-152.44	-167.56	-139.59	-100.18	-101.48	-105.86	-128.58
Non-Project imports	-21.76	-37.42	-48.95	-71.49	-23.77	-31.13	-36.62
Private Sector Imports	-548.85	-593.55	-528.48	-658.89	-741.49	-815.31	-1,004.97
Oil imports	-73.54	-82.64	-97.08	-133.07	-133.33	-121.91	-136.74
Other Imports	-162.97	-200.53	-213.51	-83.30	-108.71	-100.98	-71.34
A2. Services and Income	-297.92	-351.72	-379.52	-380.48	-446.33	-470.46	-407.16
Services Account (net)	-222.18	-259.17	-255.82	-225.20	-281.08	-307.43	-231.94
Inflows	164.62	180.85	196.03	213.19	222.64	232.83	291.92
Outflows	-386.80	-440.02	-451.85	-438.39	-503.72	-540.26	-523.87
Income Account (net)	-75.74	-92.55	-123.70	-155.28	-165.25	-163.03	-175.22
Inflows	39.57	49.20	36.53	53.09	37.47	24.16	27.56
Outflows	-115.31	-141.75	-160.23	-208.37	-202.72	-187.19	-202.78
A3. Current Transfers	270.33	479.87	476.97	507.27	633.77	719.90	745.97
Inflows	601.07	744.27	646.23	754.32	937.95	1,043.73	961.98
Government Inflows	389.35	522.99	417.52	526.31	480.94	489.85	544.34
Grant Disbursements	389.35	522.99	417.52	497.70	425.78	426.28	483.38
BOP Support	51.10	146.99	101.77	203.66	121.09	153.60	202.91
Project Aid	338.25	376.00	315.75	294.04	304.69	272.68	280.48
HIPC Assistance	0.00	0.00	0.00	28.61	55.16	63.57	60.96
Private Transfers	211.71	221.28	228.71	228.01	457.01	553.88	417.64
Remittances	156.26	162.28	167.23	168.73	338.19	384.43	278.11
Other (BOU)	0.55	1.99	2.73	0.00	0.00	7.91	8.87
Other (NGOs, IAs, Insurance, etc)	54.90	57.02	58.76	59.28	118.82	161.54	130.65
Outflows	-330.73	-264.40	-169.26	-247.05	-304.19	-323.83	-216.00
B. Capital and Financial Account Balance (B1+B2)	404.20	331.88	267.06	356.20	451.97	240.41	459.24
B1. Capital Account (Transfers)	31.93	35.66	0.00	0.00	0.00	0.00	0.00
B2. Financial Account; excluding financing items	372.27	296.22	267.06	356.20	451.97	240.41	459.24
Direct Investment	141.50	132.63	140.25	180.81	151.50	202.28	194.20
Portfolio Investment	0.00	0.00	0.00	0.00	0.41	0.44	20.81
Other Investments	230.77	163.59	126.82	175.39	300.06	37.69	244.23
Assets	18.80	-35.97	-4.01	-37.06	29.38	-23.29	-39.89
Liabilities	211.97	199.56	130.83	212.45	270.69	60.98	284.12
C. Overall Balance (A+B)	83.23	-28.84	-80.27	29.15	139.52	-82.74	119.57
D. Financing Items	-83.23	28.84	80.27	-29.15	-139.52	82.74	-119.57
Monetary Authorities	-110.84	-68.16	34.12	-29.22	-157.38	85.58	-108.32
Reserve Assets	-117.76	-93.27	-23.35	-53.25	-161.61	101.15	-75.71
Use of IMF Credit(Net)	3.39	-12.03	-15.13	-37.52	-28.95	-32.87	-42.53
Purchases	63.32	50.35	34.92	11.57	12.09	1.98	5.77
Repurchases	59.93	62.38	50.06	49.09	41.04	34.85	48.31
Exceptional Financing	3.53	37.14	72.60	61.54	33.19	17.30	9.93
Current maturities	18.60	47.64	72.60	43.04	3.89	3.62	3.74
Rescheduling	1.67	0.00	0.00	1.18	1.74	3.86	3.39
Cancellation	0.00	8.15	26.41	31.41	0.00	0.00	0.00
Accumulation of Arreas	16.93	39.49	46.19	10.45	2.15	-0.24	0.35
Old Arreas	19.18	42.52	20.38	0.00	0.00	0.00	0.00
Rescheduling	11.55	0.00	0.00	0.00	0.00	0.00	0.00
Cancellation	7.63	0.00	0.00	0.00	0.00	0.00	0.00
Other forms of Forgiveness	0.00	42.52	20.38	0.00	0.00	0.00	0.00
Arreas settlement 2/	-34.25	-53.02	-20.38	-3.35	-0.71	-13.02	-7.86
Other (BOU short-term borrowing net)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other (Deferred Debt Payment to countries not accepted HIPC terms)	0.00	0.00	0.00	21.85	30.01	26.70	14.05
Errors and Omissions	27.62	97.00	46.15	0.07	17.86	-2.84	-11.25
Memorandum items:							
Exchange Rate (shs per US\$, end of period)	1,140.11	1,362.69	1,506.04	1,766.68	1,727.40	1,852.57	1,935.32
Exchange Rate (shs per US\$, period average)	1,083.01	1,240.22	1,455.59	1,644.47	1,755.66	1,797.00	1,963.68
Total Goods and Non-Factor Service exports	757.25	691.05	681.79	673.19	698.19	713.52	854.95
GDP at Factor cost at Constant 1997/98 prices (shs billion) 5/	6,594.19	7,186.40	7,735.13	8,111.33	8,639.84	9,053.95	9,585.94
Nominal GDP at Factor cost (shs billion)	6,477.55	7,114.07	7,995.22	8,671.30	9,347.28	9,939.72	11,634.44
GDP at Factor cost (US\$, million)	5,981.07	5,736.13	5,492.79	5,272.99	5,324.06	5,531.29	5,924.80
Exports as a % of GDP	8.99	8.07	8.10	8.02	8.23	7.97	8.82
Imports as a % of GDP	-13.44	-15.80	-15.52	-15.93	-16.88	-17.46	-19.44
Current Account Balance (excluding grants)	-710.33	-883.71	-764.85	-853.37	-793.39	-813.00	-884.01
Current Account Balance as a percentage of GDP	-5.60	-6.09	-6.03	-5.70	-5.41	-5.36	-5.32
Current Account Balance (excl. grants) as a %age of GDP	-24.66	-30.16	-26.57	-14.88	-13.73	-13.48	-13.84
BOP Overall Balance as a percentage of GDP	1.38	-0.41	-1.39	0.51	2.41	-1.37	1.87
Total External Debt stock (US\$ million, end of period)	3,618.00	3,492.00	3,580.00	3,404.78	3,654.08	3,961.44	4,485.59
Total Debt Stock (end of period) as a %age of GDP	54.87	55.21	59.73	59.35	63.25	65.67	70.00
Debt Service (maturities excl. IMF) as a %age of exoorts	39.99	44.18	51.36	53.24	50.47	51.07	43.97
Debt Service (maturities incl. IMF) as a %age of exports	1.59	1.79	0.00	0.00	0.00	0.00	0.00
Debt Service (maturities incl. IMF) as a %age of export of Goods and Services.	47.13	51.88	51.70	51.19	46.37	44.50	40.65
Total External Reserves (US \$ million, end of period)	628.10	720.40	760.80	804.52	981.50	931.06	1,075.47
Total external reserves (end of period) in months of imports (Goods & Services)	5.92	6.01	6.60	7.14	7.96	7.01	7.31
Debt Stock to Exports ratio (%)	610.50	684.44	736.99	740.18	768.38	824.11	796.70
Foreign Exchange Intervention (net, US\$ million)	31.97	-22.80	-34.80	-173.42	-169.62	-205.10	-201.06

Notes:

1/ sign(-): Increase in reserves, sign(+): decrease in reserves, Projections are based on Program targets.

2/ Sign(-) arrears reduction, sign(+): accumulation of arrears out of current maturities.

3/ Debt forgiveness in 1992/93 arose out of a debt buyback of \$151.9 million using a grant of US\$18.23 million.

4/ Includes settlement through exceptional financing and by cash.

5/ National Accounts data for the period 1993 to 1996 is at 1991 prices

Source: Bank of Uganda.



Appendix 9: Balance of Payments (million US\$)

	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
A: Current Account Balance (A1+A2+A3)	-356.35	-451.13	-414.39	-275.44	-324.02	-357.87	-141.80
A1. Goods Account(Trade Balance)	-474.68	-446.73	-462.19	-483.00	-529.84	-622.59	-674.03
a) Total Exports (fob)	458.41	549.14	459.90	458.30	474.04	507.91	647.18
Coffee	268.86	306.74	186.87	109.64	85.25	105.47	114.13
b) Total Imports (fob)	-933.09	-995.87	-922.09	-941.30	-1,003.88	-1,130.51	-1,321.21
Government Imports	-193.42	-217.11	-190.03	-121.93	-135.45	-139.99	-160.82
Project imports	-170.82	-164.30	-114.88	-89.60	-110.84	-105.36	-121.90
Non-Project imports	-22.60	-52.81	-75.14	-32.32	-24.62	-34.62	-38.92
Private Sector Imports	-572.30	-558.37	-568.92	-737.70	-753.57	-906.91	-1,088.17
Oil imports	-70.30	-90.00	-119.35	-136.13	-123.23	-134.41	-139.16
Other Imports	-167.38	-220.39	-163.15	-81.67	-114.86	-83.61	-72.22
A2. Services and Income	-320.24	-380.81	-380.86	-410.23	-467.45	-440.37	-401.55
Services Account (net)	-235.11	-273.11	-241.01	-229.52	-316.13	-267.98	-226.51
Inflows	175.45	186.00	203.34	219.04	224.99	258.39	331.35
Outflows	-410.56	-459.11	-444.35	-448.56	-541.12	-526.37	-557.86
Income Account (net)	-85.13	-107.70	-139.86	-180.71	-151.33	-172.39	-175.04
Inflows	41.35	47.24	42.09	46.15	29.47	20.26	40.04
Outflows	-126.48	-154.94	-181.95	-226.85	-180.79	-192.65	-215.08
A3. Current Transfers	765.43	541.93	704.76	739.49	983.77	903.63	1,094.44
Inflows	765.43	541.93	704.76	739.49	983.77	903.63	1,094.44
Government Inflows	507.04	438.46	366.79	537.43	485.67	511.27	714.53
Grant Disbursements	507.04	438.46	366.79	483.00	425.94	447.90	652.87
BOP Support	129.54	63.96	109.79	151.92	147.63	180.85	358.97
Project Aid	377.50	374.50	257.00	331.08	278.31	267.05	293.91
HIPC Assistance	0.00	0.00	0.00	54.43	59.73	63.37	61.66
Private Transfers	258.39	103.47	337.97	256.50	557.83	455.73	441.57
Remittances	190.80	73.69	249.53	189.81	412.79	296.29	295.30
Other (BOU)	0.55	3.89	0.77	0.00	0.00	16.78	0.00
Other (NGOs, IAAs, Insurance, etc)	67.04	25.89	87.67	66.69	145.03	142.66	146.27
Outflows	-326.86	-165.52	-276.09	-176.14	-370.22	-261.91	-222.32
B. Capital and Financial Account Balance (B1+B2)	365.93	330.47	307.45	274.01	431.67	413.67	324.46
B1. Capital Account (Transfers)	40.55	0.00	0.00	0.00	0.00	0.00	0.00
B2. Financial Account; excluding financing items	325.38	330.47	307.45	274.01	431.67	413.67	324.46
Direct Investment	120.00	145.27	176.55	133.39	197.08	192.02	196.51
Portfolio Investment	0.00	0.00	0.00	0.21	0.42	1.23	10.21
Other Investments	205.38	185.20	130.90	140.41	234.17	220.42	117.73
Assets	-51.15	-4.98	1.20	-13.19	12.43	-18.10	-51.55
Liabilities	256.52	190.18	129.70	153.59	221.75	238.51	169.28
C. Overall Balance (A+B)	9.58	-120.66	-106.94	-1.43	107.65	55.80	182.65
D. Financing Items	-9.58	120.66	106.94	1.43	-107.65	-55.80	-182.65
Monetary Authorities	-120.92	33.63	102.90	-16.47	-106.27	-52.33	-182.99
Reserve Assets	-131.22	10.18	40.58	-33.30	-98.11	-30.92	-143.37
Use of IMF Credit(Net)	-4.63	-34.22	-15.54	-20.86	-32.94	-41.76	-48.85
Purchases	54.59	23.27	34.92	23.66	0.00	1.98	5.77
Repurchases	59.22	57.49	50.46	44.52	32.94	43.74	54.63
Exceptional Financing	14.93	57.67	77.86	37.69	24.78	20.36	9.24
Current maturities	29.11	68.17	79.97	7.07	2.63	2.56	5.01
Rescheduling	1.67	0.00	0.00	2.34	2.75	3.32	3.39
Cancellation	0.00	15.33	50.64	0.00	0.00	0.00	0.00
Accumulation of Arrears	27.44	52.84	29.33	4.73	-0.12	-0.77	1.62
Old Arrears	61.70	20.38	0.00	0.00	0.00	0.00	0.00
Rescheduling	11.55	0.00	0.00	0.00	0.00	0.00	0.00
Cancellation	7.63	0.00	0.00	0.00	0.00	0.00	0.00
Other forms of Forgiveness	42.52	20.38	0.00	0.00	0.00	0.00	0.00
Arrears settlement ^{2/}	-75.88	-30.88	-2.11	-1.95	-7.41	-5.62	-7.86
Other (BOU short-term borrowing net)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other (Deferred Debt Payment to countries not accepted HIPC terms)	0.00	0.00	0.00	32.57	29.56	23.41	12.09
Errors and Omissions	111.34	87.03	4.04	17.90	-1.38	-3.47	0.33
Memorandum items:							
Exchange Rate (shs per US\$, end of period)	1,232.00	1,452.56	1,571.65	1,723.84	1,797.15	2,002.81	1,788.76
Exchange Rate (shs per US\$, period average)	1,149.65	1,362.03	1,512.78	1,762.92	1,754.56	1,882.86	1,934.88
Total Goods and Non-Factor Service exports	633.86	735.14	663.24	677.34	699.02	766.30	978.53
GDP at Factor cost at Constant 1997/98 prices (shs billion) ^{5/}	6,888.60	7,393.86	7,921.21	8,339.49	8,867.11	9,300.69	9,836.22
Nominal GDP at Factor cost (shs billion)	6,888.60	7,405.31	8,214.27	9,210.32	9,412.32	10,870.78	12,121.46
GDP at Factor cost (US\$, million)	5,991.90	5,436.98	5,429.92	5,224.46	5,364.49	5,773.54	6,264.71
Exports as a % of GDP	6.95	9.15	7.77	8.09	8.12	8.18	9.70
Imports as a % of GDP	-14.14	-16.60	-15.58	-16.61	-17.19	-18.20	-19.80
Current Account Balance (excluding grants)	-863.39	-889.59	-781.18	-812.87	-809.69	-869.14	-856.33
Current Account Balance as a percentage of GDP	-5.40	-7.52	-7.00	-4.86	-5.55	-5.76	-2.12
Current Account Balance (excl. grants) as a %age of GDP	-13.09	-14.83	-13.20	-14.34	-13.86	-13.99	-12.83
BOP Overall Balance as a percentage of GDP	0.15	-2.01	-1.81	-0.03	1.84	0.90	2.74
Total External Debt stock (US\$ million, end of period)	3,631.00	3,499.60	3,580.00	3,395.20	3,825.21	4,215.52	4,464.92
Total Debt Stock (end of period) as a %age of GDP	55.04	58.34	60.49	59.91	65.49	67.87	66.91
Debt Service (maturities excl. IMF) as a %age of exports	17.49	15.65	18.60	10.06	11.62	11.75	10.80
Debt Service (maturities incl. IMF) as a %age of exports	37.89	32.31	38.45	24.92	24.43	26.60	25.03
Debt Service (maturities incl. IMF) as a %age of export of Goods and Services.	27.41	24.14	26.66	16.86	16.56	17.63	16.55
Total External Reserves (US \$ million, end of period)	750.50	748.10	719.40	738.70	872.90	964.16	1,133.39
Total external reserves (end of period) in months of imports (Goods & Services)	6.70	6.17	6.32	6.38	6.78	6.98	7.24
Debt Stock to Exports ratio (%)	792.08	637.29	778.43	740.82	806.95	829.97	689.90
Foreign Exchange Intervention (net, US\$ million)	5.44	-24.84	-117.25	-174.28	-198.99	-246.59	-140.85

Notes:

- 1/ sign(-): Increase in reserves, sign(-): decrease in reserves, Projections are based on Program targets.
- 2/ Sign(-) arrears reduction, sign(+): accumulation of arrears out of current maturities.
- 3/ Debt forgiveness in 1992/93 arose out of a debt buyback of \$151.9 million using a grant of US\$18.23 million.
- 4/ Includes settlement through exceptional financing and by cash.
- 5/ National Accounts data for the period 1993 to 1996 is at 1991 prices

Source: Bank of Uganda.



Appendix 10: Composition of Exports (value in million US\$)

		1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Coffee	Value	111.334	179.974	456.633	404.369	365.620	268.858	306.740	186.870	109.644	85.254	105.473	133.465
	Volume, 60-Kg bags	2.27	2.60	2.96	3.92	4.41	2.86	3.75	3.04	2.84	3.16	2.99	3.50
	Unit Value	0.82	1.16	2.57	1.72	1.38	1.57	1.36	1.02	0.64	0.45	0.59	0.64
Non-Coffee	Value	61.414	84.707	136.318	183.662	317.892	189.552	242.399	251.798	322.043	384.788	395.194	449.471
	Electricity	1.540	0.987	3.053	2.514	8.120	11.956	12.270	13.761	16.668	13.940	15.473	12.265
	Volume(gigawatts)	275.00	381.20	260.50	...	...	...	...	209.89	224.86	195.51	251.06	204.41
	Unit value	5.60	2.59	2.88	...	...	...	...	0.07	0.07	0.07	0.06	0.06
Gold	Value	...	0.960	12.444	35.150	110.537	25.453	27.946	39.393	58.487	56.668	48.184	38.547
Cotton	Value	5.340	4.290	3.309	13.258	28.634	11.382	10.827	22.499	14.079	18.000	16.880	40.564
	Volume ('000 mtons)	4.90	3.95	2.72	8.27	18.72	7.36	8.64	21.44	12.14	22.50	16.36	34.82
	Unit value (US \$/kg)	1.09	1.09	1.22	1.60	1.53	1.56	1.25	1.05	1.16	0.80	1.03	1.16
Tea	Value	9.966	12.100	9.381	10.022	21.321	35.033	22.668	31.876	35.933	26.851	29.019	32.328
	Volume ('000 mtons)	8.41	10.39	11.27	12.37	16.87	22.18	21.64	23.96	28.09	30.30	31.24	33.00
	Unit value (US \$/kg)	1.19	1.17	0.82	0.81	1.26	1.60	1.05	1.33	1.28	0.89	0.93	0.98
Tobacco	Value	6.507	5.907	8.086	7.941	8.607	10.811	22.863	22.432	27.644	32.270	39.891	41.435
	Volume ('000 mtons)	3.74	3.31	4.05	4.33	4.57	7.43	10.59	10.31	12.77	17.62	23.48	23.48
	Unit value (US \$/kg)	1.80	1.79	1.94	1.83	1.88	1.46	2.16	2.18	2.16	1.83	1.70	1.76
Fish & its Products	Value	4.418	11.089	16.991	37.595	34.625	27.984	47.568	18.643	50.112	80.848	83.783	107.011
	Volume ('000 mtons)	2.54	5.82	8.64	13.65	11.58	9.90	16.29	9.82	22.31	27.37	24.13	32.00
	Unit value (US \$/kg)	1.74	1.91	2.13	2.75	2.99	2.83	2.92	1.90	2.25	2.95	3.47	3.34
Fish (Regional Exports)	Value	...	...	...	...	...	...	...	6.152	16.537	26.680	27.648	35.314
	Volume ('000 mtons)	...	...	...	...	...	...	...	10.80	24.54	30.11	26.54	35.20
	Unit value (US \$/kg)	...	...	...	...	...	...	...	0.57	0.67	0.89	1.04	1.00
Hides & Skins	Value	4.093	6.734	10.413	8.864	7.835	7.834	6.613	6.147	22.700	19.649	4.182	4.587
	Volume ('000 mtons)	4.75	5.50	5.14	5.15	5.21	6.28	11.41	8.29	17.85	23.29	15.67	16.77
	Unit value (US \$/kg)	0.86	1.22	2.05	1.72	1.50	1.25	0.58	0.74	1.27	0.84	0.27	0.27
Simsim	Value	3.788	1.429	5.871	9.710	0.983	0.038	1.342	0.825	0.657	0.468	1.550	1.521
	Volume ('000 mtons)	10.21	4.36	9.72	14.82	1.66	0.06	2.28	1.05	1.49	1.31	4.93	4.98
	Unit value (US \$/kg)	0.37	0.33	0.60	0.66	0.59	0.61	0.59	0.79	0.44	0.36	0.31	0.31
Maize	Value	7.897	14.009	20.149	9.428	16.526	8.080	5.888	4.010	6.134	13.068	8.163	8.485
	Volume ('000 mtons)	64.48	64.86	109.52	59.06	70.81	33.48	26.77	11.74	29.59	89.97	33.82	36.19
	Unit value (US \$/kg)	0.12	0.22	0.19	0.16	0.23	0.24	0.23	0.34	0.21	0.15	0.24	0.23
Beans	Value	7.590	10.467	11.698	7.476	5.977	2.195	4.620	4.818	2.041	1.449	5.491	5.739
	Volume ('000 mtons)	28.69	36.87	27.47	20.49	14.82	4.49	7.69	12.17	14.42	4.10	19.24	20.39
	Unit value (US \$/kg)	0.26	0.28	0.37	0.36	0.40	0.49	0.60	0.40	0.14	0.35	0.29	0.28
Flowers	Value	...	...	2.021	5.364	5.252	6.816	7.199	8.290	13.221	15.907	17.040	22.215
	Volume ('000 mtons)	...	...	...	...	0.62	...	...	2.18	3.47	4.29	4.74	6.18
	Unit value (US \$/kg)	...	...	...	...	...	...	...	3.81	3.81	3.71	3.60	3.60
Oil re-exports	Value	4.540	6.140	3.581	6.440	11.572	9.574	11.799	7.901	11.116	7.251	11.690	10.962
Cobalt	Value	...	...	...	...	...	...	...	7.336	12.784	10.945	1.916	0.000
	Volume ('000 mtons)	...	...	...	...	...	...	...	248.88	533.10	674.49	139.32	0.00
	Unit value (US \$/kg)	...	...	...	...	...	...	...	29.48	23.98	16.23	13.75	14.81
Others Exports	Value	5.492	10.595	29.321	29.900	57.902	32.396	60.796	57.716	50.468	60.794	84.284	88.498
Imputed Exports	Value	...	...	...	...	...	...	...	21.231	10.078	3.994	6.809	6.809
Total Value Exports		172.748	264.681	592.951	588.031	683.511	458.410	549.139	459.899	458.302	474.036	507.477	590.085

Source: Bank of Uganda



Appendix 11: Composition of Exports (value in million US\$)

Description	1997	1998	1999	2000	2001	2002	2002				2003				2004	
							Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Animal & Animal Products	4,319	9,333	6,242	5,400	35,921	11,373	4,642	2,203	2,433	2,095	2,718	2,663	3,106	2,184	1,996	2,106
Vegetable Products, Animal, Beverages, Fats & Oil	79,976	118,515	97,949	86,436	124,481	158,702	74,412	25,563	26,86	31,867	40,086	48,341	54,991	36,389	41,506	49,212
Prepared Foodstuff, Beverages & Tobacco	19,967	44,727	36,939	43,218	36,580	36,699	9,222	10,69	7,436	9,351	6,958	9,373	9,549	13,85	8,82	12,477
Mineral Products (excluding Petroleum products)	18,580	51,103	35,317	28,978	37,997	50,351	10,074	9,28	16,55	14,447	16,587	17,018	19,093	16,963	18,249	17,629
Petroleum Products	112,103	107,796	116,353	159,873	158,212	145,999	30,961	37,671	39,41	37,957	41,841	41,758	39,848	40,309	42,48	44,024
Chemical & Related Products	80,396	110,180	132,137	102,209	130,822	132,621	36,115	30,629	32,866	33,011	37,099	40,846	44,438	43,332	40,823	50,599
Plastics, Rubber & Related Products	37,605	53,752	53,665	44,067	54,031	55,623	15,08	13,382	12,962	14,199	13,934	18,81	18,543	20,067	17,726	21,219
Wood & Wood Products	26,161	40,325	44,622	47,567	48,537	57,452	19,057	10,861	12,34	15,194	15,715	12,505	13,681	25,391	17,86	17,728
Textile & Textile Products	43,411	56,916	63,407	46,983	59,737	67,047	16,775	16,134	15,231	18,907	17,098	18,924	17,37	23,7	18,347	19,421
Miscellaneous Manufactured Articles	30,723	51,078	62,119	53,872	54,215	56,558	13,137	13,754	12,892	16,775	20,734	16,554	23,444	24,277	24,617	28,703
Base Metals and their Products	61,727	82,720	78,694	73,543	70,481	94,746	24,261	20,35	21,376	28,759	21,519	27,652	31,584	25,235	27,55	34,515
Machinery Equipments, Vehicles & Accessories	195,192	311,241	289,346	260,926	309,921	325,167	77,654	77,493	75,267	94,753	85,123	85,039	91,907	99,778	111,238	121,063
Arms, Ammunitions & Accessories	0,023	0,082	0,126	0,174	0,445	0,134	0,014	0,063	0,037	0,02	0,012	0,225	0,157	0,562	0,585	0,005
Total	710,183	1,037,767	1,016,916	953,246	1,121,380	1,192,472	331,404	268,073	275,66	317,335	319,424	339,708	367,711	372,037	371,797	418,701

Source: Bank of Uganda



Appendix 12: Composition of Exports (value in million US\$)

	2002					2003					2004	
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2
European Union	51.397	48.573	41.971	43.082	185.023	50.900	47.896	50.119	44.614	193.529	66.709	56.756
United Kingdom	4.487	5.346	1.886	1.466	13.185	2.135	4.169	5.104	7.863	19.271	7.055	2.042
Belgium	7.406	6.240	4.107	3.026	20.779	0.615	3.544	2.532	3.936	10.627	4.513	5.365
France	1.349	1.466	0.903	0.992	4.710	0.622	0.450	1.819	1.423	4.314	5.272	2.788
Italy	1.376	0.317	1.469	1.943	5.105	0.694	1.025	1.039	0.614	3.372	0.591	0.603
Germany	2.360	4.639	1.085	2.363	10.447	1.141	3.255	0.977	1.677	7.050	3.057	0.931
Portugal	0.092	0.078	0.111	0.089	0.370	0.365	0.742	0.553	0.148	1.808	0.640	0.140
Spain	2.606	2.179	1.923	2.028	8.736	1.008	1.201	1.000	0.574	3.783	0.911	1.086
Sweden	0.027	0.013	0.044	0.047	0.131	0.142	0.214	0.287	0.005	0.648	0.113	0.005
Netherlands	12.351	12.071	12.350	10.714	47.486	5.635	14.841	10.413	10.794	41.683	12.968	9.528
Denmark	0.357	0.267	0.104	1.018	1.746	0.062	0.045	0.128	0.133	0.368	0.009	0.040
Austria	0.004	0.080	0.015	0.006	0.105	0.317	0.003	0.012	0.004	0.336	0.469	0.380
Others	18.982	15.877	17.974	19.390	72.223	38.164	18.407	26.255	17.443	100.269	31.111	33.848
Rest of Europe	9.854	10.179	6.856	7.296	68.370	12.377	10.340	5.678	6.714	35.109	21.867	12.777
Bulgaria	...	...	...	...	...	...	...	...	...	...	...	...
Norway	0.323	0.252	0.037	0.478	1.090	0.037	0.042	0.011	0.109	0.199	0.072	0.029
Switzerland	8.357	9.479	6.226	5.444	29.506	10.305	8.603	4.309	5.829	29.046	20.177	6.525
Turkey	...	...	...	...	...	...	...	...	...	...	...	...
Poland	0.083	0.105	0.142	0.992	1.322	1.343	0.882	0.851	0.443	3.519	0.674	0.093
Other	1.091	0.343	0.451	0.382	2.267	0.692	0.813	0.507	0.333	2.345	0.891	6.130
The Americas	5.650	3.820	5.582	6.093	42.290	7.781	9.588	17.856	6.938	42.163	8.756	5.741
USA	1.742	2.082	2.673	3.329	9.826	0.586	2.755	5.461	3.211	12.013	5.386	2.523
Canada	0.216	0.127	0.397	0.114	0.854	0.274	0.176	1.224	0.277	1.951	1.442	0.256
Mexico	...	...	...	...	...	...	...	...	...	...	...	...
Brazil	...	...	0.003	0.007	0.010	...	0.018	...	...	...	0.018	0.032
Argentina	...	...	...	...	...	...	...	0.006	...	...	...	...
Other	3.692	1.611	2.509	2.643	10.455	6.921	6.639	11.165	3.450	28.175	1.910	2.930
Middle East	1.573	2.314	3.319	1.269	8.475	6.621	4.118	3.336	4.348	18.423	8.160	8.381
Bahrain	...	...	...	...	...	...	...	...	...	...	...	...
Israel	0.094	0.771	0.650	0.345	1.860	1.797	1.324	1.045	0.921	5.087	0.384	0.104
Saudi Arabia	0.003	0.010	0.044	0.018	0.075	0.293	0.003	0.000	0.060	0.356	...	...
United Arab Emirates	1.336	0.662	2.519	0.855	5.372	4.260	2.647	2.156	3.268	12.331	7.523	5.366
Jordan	...	0.548	...	...	0.548	...	...	...	...	...	...	...
Other	0.140	0.323	0.106	0.051	0.620	0.271	0.144	0.135	0.099	0.649	0.253	2.911
Asia	10.478	7.145	7.155	4.923	29.701	11.148	4.658	10.659	5.805	32.270	12.070	7.722
India	0.023	0.103	0.028	0.002	0.156	0.481	0.350	0.199	0.099	1.129	0.204	0.051
Japan	3.896	2.598	3.708	2.201	12.403	6.052	0.891	2.050	0.554	9.547	3.226	0.866
Malaysia	0.105	0.137	0.086	0.000	0.328	0.206	0.152	0.144	0.044	0.546	1.155	0.167
China	0.562	0.526	0.019	0.041	1.148	0.105	0.009	0.007	0.553	0.674	0.824	0.991
Thailand	0.037	0.019	0.008	0.003	0.067	0.004	...	...	...	...	...	...
Singapore	0.302	0.434	0.435	0.272	1.443	2.124	1.423	1.985	1.924	7.456	4.264	0.670
Pakistan	0.096	0.220	0.022	0.179	0.517	0.011	0.041	0.105	0.059	0.216	0.034	0.052
Korea (Rep)	0.031	0.009	...	...	0.040	0.451	0.110	0.255	0.004	0.820	0.114	0.462
Indonesia	...	0.002	0.002	...	0.004	...	...	...	...	...	...	...
Vietnam	...	...	...	0.003	0.003	0.011	...	...	0.059	0.070	...	0.013
Taiwan	...	...	0.007	0.131	0.138	0.019	0.058	0.384	0.037	0.498	0.063	0.000
Hongkong	5.408	3.078	2.773	1.967	13.226	1.675	1.602	5.527	2.470	11.274	2.173	1.551
Other	0.018	0.019	0.067	0.124	0.228	0.009	0.022	...	...	0.022	0.013	2.899
Comesa	24.050	24.958	24.139	33.677	106.824	30.661	31.105	42.411	34.211	138.388	49.223	42.639
Ethiopia	0.000	0.000	0.177	0.041	0.218	...	0.075	0.024	0.059	0.158	0.213	0.111
Kenya	12.035	12.938	11.919	23.409	60.301	18.809	15.246	21.777	17.204	73.036	21.153	11.691
Malawi	0.001	0.001	0.002	0.016	0.020	0.006	0.302	...	0.106	0.408	...	0.028
Namibia	...	...	...	0.008	0.008	...	...	...	...	...	...	...
Mauritius	...	...	...	...	...	0.770	...	...	...	0.770	...	...
Zambia	1.529	0.743	0.727	0.089	3.088	0.154	0.022	...	0.071	0.247	0.002	...
Swaziland	...	0.020	...	0.020	0.040	0.035	...	...	...	0.035	...	...
Burundi	1.377	2.690	0.669	1.502	6.238	1.484	2.538	3.295	2.665	9.982	4.169	2.006
Rwanda	3.571	2.963	3.286	3.299	13.119	4.254	4.776	6.669	4.910	20.609	5.532	3.821
Madagascar	...	...	...	...	...	...	...	...	...	...	...	...
Tanzania	1.428	1.201	1.811	1.075	5.515	1.040	1.788	1.332	1.131	5.291	4.329	1.788
Sudan	1.008	1.364	1.492	1.053	4.917	1.628	1.946	3.838	2.749	10.161	5.981	3.412
Egypt	0.111	0.300	0.319	0.543	1.273	0.842	0.107	0.209	0.899	2.057	0.214	0.352
Congo (D.R.)	2.835	2.272	2.316	2.485	9.908	1.598	4.203	5.200	4.271	15.272	6.609	3.940
Other	0.155	0.466	1.421	0.137	2.179	0.041	0.102	0.058	0.133	0.334	0.299	14.691
Rest of Africa	9.765	17.095	12.717	7.651	47.228	4.203	7.274	11.444	17.064	39.985	11.768	25.028
South Africa	9.765	16.931	12.685	7.619	47.000	4.188	7.255	6.495	13.695	31.633	7.600	11.243
Nigeria	0.000	0.082	0.016	0.000	0.098	...	...	...	...	...	...	...
Other	...	0.082	0.016	0.032	0.130	0.015	0.019	4.941	3.300	8.275	4.163	13.784
Unclassified	2.001	1.314	2.385	1.007	6.707	4.621	2.698	2.317	7.500	17.136	3.682	3.013
Australia	1.338	1.144	1.019	0.748	4.249	3.208	2.088	1.930	0.896	8.122	1.848	0.393
Iceland	...	...	...	...	...	...	...	...	...	...	...	...
Other	0.663	0.170	1.366	0.259	2.458	1.413	0.610	0.286	6.604	8.913	1.834	2.620
Total	114.768	115.398	104.124	104.998	494.618	128.312	117.677	143.820	127.194	517.003	182.235	162.057

Source: Bank of Bank of Uganda



Appendix 13: Composition of Imports (million US\$)

	2002					2003					2004	
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	Q2
European Union	78.976	50.198	52.943	57.775	239.892	62.731	56.939	73.070	72.188	264.928	75.406	75.825
Germany	8.544	8.052	7.478	10.683	34.757	12.712	9.317	7.389	10.970	40.388	9.680	7.970
United Kingdom	18.461	14.813	17.231	20.660	71.165	17.840	19.096	22.260	29.583	88.779	22.938	19.413
Ireland	0.520	0.128	0.390	0.606	1.644	0.368	0.673	1.256	1.326	3.623	1.805	2.458
Belgium	10.029	3.533	6.413	6.508	26.483	6.964	6.331	2.780	6.582	22.657	6.460	8.896
France	3.512	3.115	2.635	2.877	12.139	3.439	3.464	6.589	4.844	18.336	6.311	5.999
Italy	22.686	7.165	8.865	3.571	42.287	6.498	4.872	8.252	3.466	23.088	4.138	3.332
Portugal	...	0.090	...	...	0.090	0.003	0.085	0.186	0.000	0.274	0.001	...
Spain	1.890	1.414	1.232	1.576	6.112	5.447	1.615	6.723	2.512	16.297	2.298	1.573
Sweden	3.602	1.479	1.547	4.037	10.665	2.161	3.164	2.028	1.489	8.842	11.202	14.414
Netherlands	3.864	7.868	4.109	4.627	20.468	4.093	5.625	10.540	5.334	25.592	6.397	7.535
Denmark	2.588	2.261	1.996	2.180	9.025	1.948	1.230	3.381	4.673	11.232	1.375	2.503
Austria	3.278	0.068	0.115	0.201	3.662	0.374	0.303	0.693	0.291	1.661	0.534	0.261
Other	0.002	0.212	0.932	0.249	1.395	0.884	1.164	0.993	1.118	4.159	2.266	1.471
Rest of Europe	3.416	5.461	3.509	2.075	14.461	2.952	2.758	2.779	3.437	11.926	5.105	4.056
Romania	...	0.180	0.030	0.024	0.234	0.011	0.000	0.394	0.032	0.437	0.009	0.020
Norway	0.306	1.415	0.175	0.081	1.977	0.267	0.359	0.551	0.093	1.270	1.403	0.959
Poland	0.012	0.068	0.056	0.004	0.140	0.001	0.019	0.002	0.171	0.193	0.677	0.110
Switzerland	2.084	3.753	1.975	1.714	9.526	2.414	2.204	1.398	2.139	8.155	1.817	1.130
Other	1.014	0.045	1.273	0.252	2.584	0.259	0.176	0.434	1.002	1.871	1.199	1.837
The Americas	11.125	14.493	10.985	12.516	49.119	19.664	17.135	34.468	23.212	94.479	19.408	34.759
Argentina	...	0.091	0.117	0.306	0.514	0.637	0.809	1.353	1.025	3.824	1.528	2.645
USA	9.030	10.791	7.939	9.334	37.094	16.150	13.584	30.155	17.714	77.603	13.655	24.057
Canada	1.972	2.400	1.479	1.348	7.199	2.532	1.854	1.832	2.428	8.646	1.988	5.667
Mexico	...	...	0.029	...	0.029	0.001	...	0.000	0.165	0.166	...	...
Brazil	0.083	0.673	0.780	0.482	2.018	0.277	0.294	1.054	1.823	3.448	2.014	2.389
Other	0.040	0.538	0.641	1.046	2.265	0.067	0.594	0.074	0.057	0.792	0.223	0.001
Middle East	19.129	17.529	19.437	22.581	78.676	19.601	28.248	26.763	31.363	105.975	21.348	26.529
Bahrain	0.001	0.010	...	...	0.011	0.003	0.060	0.042	0.073	0.178	...	0.081
Israel	0.386	0.687	0.363	0.373	1.809	0.558	0.272	2.015	1.325	4.170	0.890	2.881
Saudi Arabia	2.473	1.979	1.419	2.765	8.636	2.477	3.814	3.313	2.886	12.490	7.179	3.589
United Arab Emirates	15.410	13.942	16.844	18.491	64.687	14.974	22.829	12.955	25.812	76.570	11.553	18.396
Jordan	...	0.023	0.040	0.015	0.078	0.014	0.018	0.138	0.005	0.175	0.007	0.075
Other	0.859	0.888	0.771	0.937	3.455	1.575	1.255	8.300	1.262	12.392	1.720	1.507
Asia	77.593	72.028	71.941	97.171	318.733	91.934	97.033	95.213	103.139	387.319	101.217	118.661
Hongkong	4.797	4.687	2.456	6.735	18.675	7.244	2.866	2.927	2.974	16.011	2.399	3.105
Korea (Rep)	1.426	0.941	1.276	1.459	5.102	1.253	2.138	1.127	2.032	6.550	2.479	2.615
Singapore	1.168	1.242	1.216	2.681	6.307	1.943	3.134	4.341	2.951	12.369	1.208	4.143
Malaysia	7.638	7.886	7.523	9.028	32.075	11.054	7.841	7.055	12.170	38.120	11.413	17.926
Indonesia	1.089	0.766	0.822	0.731	3.408	0.857	0.560	1.280	1.310	4.007	1.224	1.707
India	18.281	16.034	15.933	23.566	73.814	21.488	25.747	25.384	27.273	99.892	26.817	30.305
Pakistan	2.304	2.097	2.678	3.740	10.819	3.548	6.391	6.240	2.839	19.018	3.144	2.905
Japan	25.577	24.952	27.354	28.237	106.120	25.560	23.638	23.624	21.465	94.287	26.556	28.768
Thailand	1.987	1.590	1.117	1.897	6.591	1.319	2.747	1.999	3.634	9.699	3.728	3.622
Taiwan	0.488	0.949	0.937	0.609	2.983	0.590	0.709	0.637	0.443	2.379	0.365	0.483
China	9.441	9.241	9.793	16.307	44.782	15.439	15.990	17.500	22.033	70.962	20.423	21.104
Bangladesh	0.119	0.266	0.339	0.282	1.006	0.117	0.099	0.482	0.132	0.830	0.017	0.214
Vietnam	3.256	1.314	0.294	1.787	6.651	1.433	1.869	1.370	2.958	7.630	0.866	1.600
Other	0.022	0.063	0.203	0.112	0.400	0.089	3.304	1.247	0.925	5.565	0.578	0.164
Comesa	106.636	77.300	84.278	92.401	360.615	91.387	103.116	98.227	99.496	392.226	100.588	111.769
Ethiopia	0.007	0.007	0.012	0.172	0.198	0.043	0.012	0.004	0.003	0.062	0.049	0.072
Kenya	100.870	71.210	77.859	82.742	332.681	85.695	95.224	87.990	87.001	355.910	89.338	97.577
Zimbabwe	0.303	0.204	0.122	0.076	0.705	0.133	0.204	0.253	0.270	0.860	0.204	0.387
Swaziland	2.121	1.247	0.775	3.605	7.748	1.223	2.617	2.717	3.767	10.324	3.215	3.308
Burundi	0.070	0.210	0.345	0.004	0.629	...	0.226	0.000	0.000	0.226	...	0.044
Rwanda	0.765	0.222	0.472	0.333	1.792	0.293	0.038	0.098	0.116	0.545	0.187	0.201
Madagascar	...	...	...	0.039	0.039	...	...	0.002	0.000	0.002	...	...
Tanzania	0.927	1.628	2.095	3.707	8.357	2.138	2.689	4.165	3.054	12.046	3.565	5.015
Zambia	0.124	0.338	0.328	0.002	0.792	0.065	0.060	0.004	0.083	0.212	0.178	0.080
Egypt	1.152	1.353	1.179	1.233	4.917	1.125	1.075	1.392	2.448	6.040	1.864	3.375
Congo (D.R.C)	0.177	0.367	0.288	0.346	1.178	0.013	0.263	0.679	0.962	1.917	0.049	0.396
Other	0.120	0.514	0.803	0.142	1.579	0.659	0.708	0.923	1.792	4.082	1.939	1.314
Rest of Africa	25.374	22.671	25.366	26.691	100.102	20.625	23.905	26.682	31.860	103.072	31.669	38.155
South Africa	25.270	15.546	23.457	25.638	89.911	19.420	23.566	26.122	30.057	99.165	30.507	37.475
Nigeria	0.047	0.447	0.254	0.298	1.046	0.246	0.092	0.281	1.577	2.196	0.667	0.211
Other	0.057	6.678	1.655	0.755	9.145	0.959	0.247	0.279	0.226	1.711	0.495	0.469
Unclassified	9.157	8.393	7.201	6.125	30.876	10.530	10.574	10.509	7.342	38.955	6.281	8.947
Australia	7.550	7.314	6.595	5.316	26.775	9.008	9.098	6.907	6.748	31.761	6.245	8.885
USSR	0.237	0.227	0.210	0.526	1.200	0.342	0.616	0.495	0.016	1.469	...	...
Other	1.370	0.852	0.396	0.283	2.901	1.180	0.860	3.107	0.578	5.725	0.036	0.062
Total	331.406	268.073	275.660	317.335	1,192.474	319.424	339.708	367.711	372.037	1,398.880	361.023	418.701

Source: Uganda Revenue Authority and Uganda Coffee Development authority



Appendix 14: Government Recurrent Revenue (million shs).

Source of Revenue	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Tax Revenue	150,713	249,491	322,101	522,229	638,719	717,181	821,781	969,791	1,009,085	1,130,077	1,253,178	1,439,124	1,696,990
Income Tax	3,207	11,192	14,609	77,170	82,919	102,406	124,841	170,038	181,978	223,971	284,014	349,815	388,060
P.A.Y.E	3,207	11,192	14,609	20,329	25,023	38,458	48,404	67,660	83,469	104,208	137,305	168,270	193,000
Other 1/	...	...	...	56,841	57,896	63,948	76,437	102,378	98,509	119,763	146,709	181,545	195,060
Export duties	2,000	...	...	14,249	12,855	2,484	346	48	...	27	...	...	...
Coffee (Stabilization Tax)	2,000	...	...	14,249	12,855	2,484	346	48	...	...	...	...	...
Other	...	...	...	...	...	...	...	...	...	...	...	...	...
Customs duties	76,040	121,199	137,318	190,905	237,497	264,832	261,118	277,925	286,900	305,382	339,387	373,743	403,350
Petroleum Products	54,500	82,520	84,710	119,663	150,962	197,332	187,927	193,208	197,201	199,341	220,736	240,676	276,600
Other	21,540	38,680	52,608	71,242	86,535	67,500	73,191	84,717	89,699	106,041	118,651	133,067	126,750
Excise Duty	15,026	18,784	41,776	51,965	67,686	102,140	116,438	130,894	132,943	128,638	139,265	149,010	181,820
Sales Tax & V.A.T.	48,660	83,844	108,879	158,745	204,263	219,829	266,685	328,415	359,303	403,162	431,688	495,470	633,560
Imported	20,410	36,762	46,959	74,882	93,930	127,303	150,506	188,406	195,377	228,452	218,592	251,060	334,350
Local	22,830	36,882	46,339	61,557	84,585	64,084	64,210	74,765	76,586	89,966	107,402	123,258	158,210
C.T.L	5,420	10,200	15,581	22,306	25,748	28,442	51,969	65,244	87,340	84,744	105,694	121,152	141,000
Other Tax Revenues 2/	5,780	14,472	19,520	29,195	33,499	25,490	52,353 ₀	62,471 ₀	47,961 ₀	68,897 ₀	58,824 ₀	71,085 ₀	90,200 ₀
Treasury Credit Notes	...	...	22,810	23,240	29,280	6,700	9,290	11,300	23,570	15,243	13,174	12,729	15,000
Non-Tax Revenue	29,747	33,112	43,133	8,965	7,936	2,672	9,456	12,935	27,954	39,660	47,300	9,799	11,320
Total Recurrent Revenue	180,460	282,603	388,044	554,434	675,935	726,553	840,527	994,026	1,060,609	1,184,980	1,313,652	1,461,653	1,723,310

1/ Include among others, corporate tax, Withholding tax.
2/ Includes, Fees, Licencing, National Lottery, and Refunds.

Source: Uganda Bureau of Statistics



Appendix 15: Economic Classification of Government recurrent Expenditure (million shs)

	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Government Consumption:	173,019	239,374	267,022	318,289	384,418	397,862	492,608	526,489	623,633	779,150	764,993	741,670	801,855
Goods and Services	104,123	148,489	165,372	185,863	220,557	180,505	231,990	198,079	217,398	257,651	274,945	263,786	339,883
Salaries and Wages	68,895	90,886	101,651	132,426	147,227	194,263	215,210	197,410	247,531	278,235	299,017	335,603	336,028
Indirect Taxes	1,032	...	...	69,305	64,361	79,668	127,308	113,348	94,252
Domestic Arrears	15,602	23,094	45,408	61,695	94,343	163,596	63,723	28,933	31,692
Financial Transactions:	...	121,009	135,521	104,140	104,426	93,948	145,289	302,760	122,311	86,723	144,749	320,800	408,864
Interest on External Debt	39,955	123,780	34,409	23,414	4,228	71,000	71,000
Interest on Domestic Debt	14,736	20,046	18,828	17,970	24,431	93,173	73,600	156,800
Repayment of Domestic Debt	60,000	...	...	88	...	0
Repayment of External Debt	...	121,009	135,521	104,140	103,617	78,175	84,148	98,912	68,932	37,613	45,705	176,200	181,000
Depreciation of Financial Assets	809	1,037	1,140	1,240	1,000	1,265	1,555	...	64
Current Transfers to:	...	18,930	27,981	28,632	27,296	32,935	60,463	98,169	114,209	131,980	283,821	184,280	174,646
Education Institutions	17,762	20,822	26,923	22,432	31,404	29,140	30,787
Transfer to Local Authorities	1,180	1,269	1,305	614	464	600	0
International Organisations	2,494	5,199	4,210	4,689	4,157	4,561	3,085
Repayment of Domestic Debt	...	4,272	2,300	2,769	4,678	4,496	2,685	18,112	4,989	4,227	3,550	2,806	462
Depreciation of Financial Assets	...	894	1,791	3,681	6,792	6,483	3,314	2,666	5,450	3,620	4,123	4,253	515
Autonomous Institutions	...	4,691	3,252	2,134	1,195	2,324	1,566	2,462	7,091	7,957	2,370	7,583	32,052
Other Contributions	5	26	14,365	390	231	5,181	5,243	5,978
Pensions & Graduity	22,191	17,943	37,099	41,188	58,981	65,688	65,388
Research Projects	...	351	1,001	536	472	342	283	245	6,521	452	1,432	1,882	47
Participation in Other Programmes	...	2,133	2,238	7,965	3,456	2,156	1,740	5,727	6,999	9,420	28,009	32,600	18,174
Employment Costs	...	4,372	13,686	8,423	8,085	13,427	...	...	...	...	...	...	...
Poverty Action Fund (PAF)	1,813	3,560	4,946	15,766	5,345
Retrenchment Costs	417	7	32	1,250	...	1,715	3,119	1,113	24
EAAC Compensation	774	1,997	1,946	24,302	23,460	...	...
Other Transfers	...	2,218	3,713	3,124	2,201	3,696	6,416	6,112	8,938	7,573	5,751	11,345	6,811
Other Expenditure	535	...	106,874	1,700	5,978
Total	173,019	379,313	430,524	451,061	516,140	524,745	698,360	927,418	860,153	1,045,698	1,193,563	1,246,750	1,385,365

Notes:

- i) Data for 2001/02 are approved estimates; other years are actual and include statutory expenditure.
- ii) Includes expenditure of two Non-Profit organizations: Uganda Revenue Authority (URA) and Uganda National Examination's Board (UNE B).
- iii) In 199/9/2000 and 2000/2001, UBOS is also d as a Non -Profit organization.
- iv) Transfers exclude transfers to decentralized districts and urban administration.
- v) Domestic arrears include PCNs.

Source: Uganda Bureau of Statistics



Appendix 16: Functional Classification of Government Recurrent Expenditure (million shs)

	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
General Public Administration	48,371	115,057	130,867	169,385	129,413	112,547	195,942	137,397	194,800	335,102	301,080	225,716	208,517
Defence Affairs and Services	53,460	60,347	84,000	111,607	124,343	147,618	138,214	226,542	223,029	224,421	235,335	254,834	316,618
Public Order and Safety Affairs	16,820	17,957	31,147	48,505	54,786	62,622	74,163	76,947	93,472	103,499	109,531	132,684	127,868
Education Affairs and Services	44,330	47,550	50,323	61,153	51,948	62,828	72,036	84,976	127,364	115,750	124,864	115,268	128,782
Health Affairs and Services	12,883	16,350	19,786	21,638	21,264	26,534	29,592	25,168	26,396	40,904	57,659	76,653	75,806
Community Social Services	3,719	4,844	8,250	6,885	8,461	9,601	7,721	7,421	16,438	15,638	9,285	11,458	10,313
Agriculture, Veterinary, Forestry, etc.	...	5,222	4,773	8,544	3,614	5,689	5,635	7,283	6,613	7,736	7,941	8,968	6,715
Road Transport Affairs & Services	...	6,820	10,650	9,020	6,754	7,052	9,309	11,942	16,075	16,683	22,123	24,292	22,383
Other Economic Affairs & Services	17,027	5,732	14,325	14,744	22,058	8,436	10,002	13,076	8,556	10,364	12,971	13,875	13,757
Interest on External Public Debt	...	...	...	...	...	...	39,955	123,780	34,409	23,414	...	...	...
Interest on Domestic Public Debt	...	...	...	...	...	...	20,046	18,826	17,970	24,431	...	...	...
Repayment of Domestic Public Debt	88,787	...	...	...	...	14,736	...	60,000	...	...	...	...	...
Repayment of External Public Debt	...	121,009	135,521	104,140	103,617	78,175	84,148	98,912	121,311	85,458	142,734	320,800	408,800
Civil Service Pensions & Gratuities	...	...	...	...	6,481	7,655	10,792	10,021	24,153	17,996	42,298	58,966	65,388
Compensation to former employees of EAC	...	...	...	...	...	824	774	1,997	1,946	24,302	127,742	3,236	418
Transfers to International Organisations except EAC	...	...	...	...	...	...	...	...	...	...	...	...	...
Other Transfers	...	...	...	...	1,032	...	...	21,878	...	...	...	...	...
Employment costs	340	...	...	...	417	7	32	1,250	...	...	...	...	...
Total	285,736	400,889	489,641	555,620	534,189	544,324	698,361	927,416	912,532	1,045,698	1,193,563	1,246,750	1,385,365

Notes:

- vi) Data for 2001/02 are approved estimates; other years are actual and include statutory expenditure.
- vii) Includes expenditure of two Non-Profit organizations: Uganda Revenue Authority (URA) and Uganda National Examination's Board (UNEB).
- viii) In 199'9/2000 and 2000/2001, UBOS is also d as a Non - Profit organization.
- ix) Transfers exclude transfers to decentralized districts and urban administration.
- x) Domestic arrears include PCNs.

Source: Uganda Bureau of Statistics



Appendix 17: Economic Classification of Government Development Expenditure (million shs)

	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Consultants	...	...	...	...	...	...	1,335	1,987	3,787	9,043	9,291	15,564
Wages & Salaries	1,405	...	...	...	10,423	12,036	9,809	11,902	19,400	17,224	15,987	27,929
Parastatal Bodies	1,405	3,057	3,400	3,731	3,750	2,048	5,776	7,028	7,331	...	...	...
Building & Construction	11,108	11,001	24,438	21,219	12,325	16,220	18,923	43,525	46,496	43,284	43,771	71,103
Roads	9,724	4,353	4,612	12,012	15,384	31,516	22,596	29,012	50,409	59,891	58,608	73,854
Transport Equipment	2,827	1,619	3,798	5,789	6,035	7,418	6,425	8,229	13,280	19,865	18,396	26,798
Machinery & Equipment	3,330	1,413	4,195	18,330	5,511	8,879	10,623	23,637	3,165	15,355	17,124	24,188
Purchase and/or Improvement of Land	315	822	973	1,402	...	42	...	...	...	8,359	8,647	11,758
Other Fixed Assets	...	...	...	...	684	3,120	...	...	12,667	21,104	...	25,444
Breeding Stocks	185	476	317	863	...	...	...	...	...	...	...	...
Entadikwa Scheme	...	...	...	4,492	2,932	2,500	...	...	...	...	...	...
Arrears	...	...	...	...	...	416	14,503	7,033	25,774	11,186	18,600	10,829
Taxes	...	...	...	...	1,995	15,373	34,958	48,767	57,762	61,634	94,584	122,485
Other Goods & Services	5,879	8,456	8,870	9,738	16,035	20,233	19,271	31,636	53,161	55,350	65,964	92,943
Total	34,773	31,196	50,603	77,576	75,074	119,802	144,219	212,756	293,232	322,295	350,972	502,895

Notes:

- i) Data for 2001/02 are approved estimates; other years are actual.
- ii) Expenditure for 2000/01 includes expenditure of two Non-profit organizations: Uganda Revenue Authority (URA) and Uganda Bureau of Statistics (UBOS).
- iii) Transfers from Central Government to decentralized districts and urban administrations are excluded.

Source: Uganda Bureau of Statistics.



Appendix 18: Functional Classification of Government Development Expenditure (million shs)

	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
General Government	12,906	14,785	19,252	33,700	17,272	18,095	36,571	31,722	45,085	47,262	78,070	79,740	76,678
Defence	3,837	1,025	4,332	4,036	6,124	5,180	11,399	7,628	7,487	9,803	8,533	12,491	17,128
Public Order and Safety	1,581	1,419	5,091	3,646	3,963	3,740	3,646	8,994	9,072	14,196	14,307	24,915	27,406
Education Services	1,314	3,057	5,663	7,321	5,828	11,865	10,448	51,856	44,951	45,444	56,576	47,633	44,038
Health Affairs & Services	3,033	2,643	5,089	4,578	5,355	13,943	7,944	15,771	26,084	19,396	22,469	34,995	54,011
Community & Social Services	149	718	3,629	767	2,164	2,486	14,689	5,519	18,748	4,455	9,037	20,855	16,737
Economic Services	11,952	7,550	7,546	19,038	31,434	61,993	59,523	17,803	19,901	14,027	20,288	44,758	39,747
Entandikwa Credit Scheme	...	...	...	4,491	2,932	2,500	...	...	...	...	...	...	...
Agriculture	...	...	...	...	...	...	...	6,763	17,445	28,437	38,266	42,525	29,907
Roads	...	...	...	...	...	...	...	52,880	87,510	122,192	133,370	120,354	133,235
Water	...	...	...	...	...	...	...	13,820	16,949	17,084	27,224	28,363	30,280
Total	34,773	31,196	50,602	77,576	75,074	119,802	144,219	212,756	293,232	322,295	408,140	456,629	469,167

Notes:

- iv) Data for 2001/02 are approved estimates; other years are actual.
- v) Expenditure for 2000/01 includes expenditure of two Non-profit organizations: Uganda Revenue Authority (URA) and Uganda Bureau of Statistics (UBOS).
- vi) Transfers from Central Government to decentralized districts and urban administrations are excluded.

Source: Uganda Bureau of Statistics.



Appendix 19: Central Government Budgetary Operations (million shs)

	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
Revenue and Grants	278,586	604,829	677,183	785,070	947,813	1,057,719	1,199,200	1,357,700	1,576,900	1,880,990	2,014,600	2,253,800	2,936,635
Total revenue 1/	183,951	291,075	394,696	531,194	622,790	747,030	801,500	950,700	1,010,300	1,083,490	1,253,600	1,434,000	1,669,175
Grants	94,635	313,754	282,487	253,876	325,023	310,689	397,700	407,000	566,600	797,500	761,000	819,800	1,267,460
Expenditures and net lending	543,588	718,343	851,445	916,624	1,060,685	1,102,212	1,246,180	1,454,100	1,847,430	2,240,900	2,590,800	2,770,100	3,103,735
Recurrent Expenditure	285,110	323,452	416,767	501,263	568,230	658,177	740,680	891,180	977,270	1,131,190	1,428,400	1,586,500	1,864,534
Wages and salaries	9,939	62,691	86,900	128,721	170,335	227,000	255,800	341,200	373,890	434,090	541,500	612,300	682,873
Interest payments	90,093	69,386	44,631	53,362	47,662	67,153	87,400	96,200	95,420	122,700	151,900	174,100	261,686
Other 2/	789,690	789,690	789,690	789,690	789,690	789,690	397,480	453,780	507,960	574,400	735,000	800,100	919,975
Development Expenditure	249,978	393,690	431,878	404,014	489,655	442,035	502,500	560,600	771,520	1,005,700	1,042,500	1,142,000	1,186,800
External	213,272	357,926	385,366	329,274	427,355	339,701	412,800	445,900	551,400	661,100	578,000	682,100	747,700
Domestic	36,706	35,764	46,512	74,740	62,300	102,334	89,700	114,700	220,120	344,600	464,500	459,900	439,100
Net lending and investment	8,500	1,200	2,800	11,347	2,800	2,000	3,000	2,320	98,640	-26,130	4,800	-12,700	-27,804
Overall deficit (excluding Grants)	359,637	427,268	456,749	385,430	437,895	355,182	-444,680	-503,400	-837,130	-1,157,410	-1,337,200	-1,336,100	-1,434,560
Overall deficit (commitment)	-265,003	-113,514	-174,262	-131,554	-112,872	-44,493	-46,980	-96,400	-270,530	-359,910	-576,200	-516,300	-167,100
Financing	265,003	113,514	174,262	131,554	112,872	44,493	46,980	96,400	270,530	359,910	576,200	536,300	198,600
External Financing (net)	140,433	200,816	243,227	211,719	209,432	173,736	196,000	263,240	212,610	336,800	484,200	535,000	298,900
Budget support	56,027	-23,826	-26,962	-86,701	-60,262	-48,221	...	...	...	...	...	...	57,000
Project support	51,391	-17,291	-36,700	-95,400	-29,300	-73,426	...	...	...	...	...	...	371,500
Other	4,636	-6,535	9,738	8,699	-30,962	25,205	...	...	...	...	...	...	-129,600
Domestic Financing	68,543	-63,476	-42,003	6,536	-36,298	-81,022	-149,020	-166,840	57,920	23,110	92,000	1,300	-100,300
Banking System 5/	2,491	-72,868	-51,017	-22,182	-34,200	-41,896	-67,200	550	543,210	46,110	21,400	-93,300	-206,200
Non-bank	66,052	9,392	9,014	28,718	-2,098	-39,126	-81,820	-167,390	-485,290	-23,000	70,600	94,600	105,900
Residual	...	...	...	...	...	...	...	...	...	...	...	...	-31,500
GDP at factor cost	2,588,800	3,625,938	4,069,442	4,922,398	5,565,386	6,047,532	7,576,307	8,202,741	8,955,209	9,977,650	10,261,050	11,798,327	13,167,678
Memorandum Items													
As a percentage of GDP													
Revenue	7.1	8.0	9.7	10.8	11.2	12.4	10.6	11.6	11.3	10.9	12.2	12.2	12.7
Grants	3.7	8.7	6.9	5.2	5.8	5.1	5.2	5.0	6.3	8.0	7.4	6.9	9.6
Expenditure	21.0	19.8	20.9	18.6	19.1	18.2	16.4	17.7	20.6	22.5	25.2	23.5	23.6
Recurrent	11.0	8.9	10.2	10.2	10.2	10.9	9.8	10.9	10.9	11.3	13.9	13.4	14.2
Development	9.7	10.9	10.6	8.2	8.8	7.3	6.6	6.8	8.6	10.1	10.2	9.7	9.0
Deficit (Commitment)	-10.2	-3.1	-4.3	-2.7	-2.0	-0.7	-0.6	-1.2	-3.0	-3.6	-5.6	-4.4	-1.3
Deficit (excluding Grants)	13.9	11.8	11.2	7.8	7.9	5.9	-5.9	-6.1	-9.3	-11.6	-13.0	-11.3	-10.9

Notes:

- 1/ URA plus Appropriation in Aid (AIA) revenues excluding tax refunds and government payments.
- 2/ Non-wage, non-PAF recurrent, plus defence recurrent, PPAs etc.
- 3 Includes reductions of external and domestic arrears.
- 4/ Check float and residual.
- 5/ change in treasury bills holdings.
- 6/ Data on 2002/03 is provisional.

Source: Ministry of Finance, Planning and Economic Development



Appendix 20: Domestic Public Debt (million shs at end of Period)

	Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04
A: Bank of Uganda																		
Ways & Means Advances 1/	-148,275	80,786	-348,003	-346,676	-444,287	135,104	130,654	-203,769	-89,223	12,022	-21,944	-61,772	42,620	-194,816	-80,933	-217,664	-166,875	-358,273
Treasury Bills 2/	43,860	48,419	65,149	63,950	71,872	64,014	68,802	60,103	51,559	136,055	136,288	188,188	159,873	154,305	119,315	133,899	132,665	215,810
Sub - Total	-104,415	129,205	-282,854	-282,726	-372,415	199,118	199,456	-143,666	-37,664	148,077	114,344	126,416	202,493	-40,512	38,382	-83,765	-34,210	-142,463
B: Commercial Banks																		
Treasury Bills	263,054	273,767	332,345	378,540	399,710	466,120	489,574	560,745	606,298	721,178	810,096	889,527	850,050	880,805	931,218	968,986	896,732	819,037
Government Stocks	4	4	4	4	4	4	4	4	4	4	4	0	0	0	0	0	0	0
Direct Loans	47	17	...	...	0	0	0	2	2	538	714	632,588	623,204	585,235	615,808	538,137	504,414	519,288
Less Government Deposits 3/	159,372	150,930	154,671	203,659	194,760	222,130	205,162	214,077	228,084	251,926	225,108	862,486	809,794	754,454	838,600	914,556	824,866	810,398
Sub - Total	103,732	122,857	177,677	174,885	204,953	243,993	284,415	346,674	378,220	469,793	585,705	659,629	663,459	711,585	708,425	592,567	576,279	527,927
Total Net Claims on Govt. (A+B)	-682	252,062	-105,177	-107,841	-167,462	443,111	483,871	203,008	340,556	617,870	700,048	786,045	865,952	671,073	746,807	508,802	542,069	385,464
C: Non - Banking System																		
Treasury Bills	30,342	39,585	38,707	43,469	56,113	59,310	64,919	76,779	71,386	71,268	105,085	122,983	128,567	167,488	181,202	237,129	249,195	213,117
Government Stocks	2	2	2	2	2	2	2	2	2	2	2	0	0	0	0	0	0	0
Sub - Total	30,344	39,587	38,709	43,471	56,115	59,312	64,921	76,781	71,388	71,271	105,087	122,983	128,567	167,488	181,202	237,129	249,195	213,117
Grand Total (A+B+C)	29,662	291,649	-66,468	-64,370	-111,347	502,423	548,792	279,789	411,944	689,141	805,135	909,028	994,519	838,561	928,009	745,931	791,264	598,581

1/ Data for Ways and Means in brackets is a credit balance with Bank of Uganda.

2/ Includes own investments and/or rediscounts.

3/ Government Deposits include only Central Government Deposits and project accounts since June 1993.

4/ Effective July 1995, Government deposits include URA funds with UCBL.

Source: Bank of Uganda



Appendix 21: Government Securities Outstanding by Holder (million shs at end of period)

	Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04
Government Stocks	57	57	5.7	5.7	57	5.7	5.7	5.7	57	5.7	5.7	5.7	57	57	5.7	5.7	57	57
Commercial Banks	35	3.5	3.5	3.5	35	3.5	3.5	3.5	35	3.5	3.5	3.5	35	35	3.5	3.5	35	35
Insurance Companies 1/	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Others 2/	20	2.0	2.0	2.0	20	2.0	2.0	2.0	20	2.0	2.0	2.0	20	20	2.0	2.0	20	20
Treasury Bills	337,256.5	361,770.5	436,199.9	485,969.1	527,694.6	589,443.2	623,294.6	697,627.2	729,243.4	928,500.9	1,051,468.0	1,200,697.6	1,138,489.3	1,202,597.0	1,231,734.4	1,340,014.0	1,278,591.3	1,247,964.0
Bank of Uganda	43,860.4	48,418.7	65,148.6	63,950.1	71,872.3	64,013.8	68,802.2	60,103.1	51,559.3	136,054.8	136,287.5	188,188.1	159,872.9	154,304.7	119,314.6	133,898.9	132,664.7	215,810.3
Commercial Banks	263,054.3	273,766.6	332,344.5	378,539.8	399,709.5	466,119.7	489,573.7	560,745.4	606,298.4	721,177.7	810,095.8	889,526.6	850,049.9	880,804.7	931,217.5	968,986.1	896,731.7	819,036.8
Insurance Companies 1/	15,366.0	15,585.3	20,186.0	10,303.9	10,485.4	10,036.4	2,676.0	3,950.5	16,893.5	3,919.5	21,936.5	27,901.8	26,331.9	33,118.8	37,643.4	40,491.0	37,854.6	28,952.4
Others 2/	14,975.8	23,999.9	18,520.8	33,165.3	45,627.4	49,273.3	62,242.7	72,828.2	54,492.2	67,348.9	83,148.2	95,081.1	102,234.6	134,368.8	143,558.9	196,638.0	211,340.3	184,164.5
Total	337,262.2	361,776.2	436,205.6	485,964.8	527,700.3	589,448.9	623,300.3	697,632.9	729,249.1	928,506.6	1,051,473.7	1,200,703.3	1,138,495.0	1,202,602.7	1,231,740.1	1,340,019.7	1,278,597.0	1,247,969.7
Banks	306,918.2	322,188.8	397,496.6	442,483.4	471,585.3	530,137.0	558,379.4	620,852.0	657,861.2	857,236.0	946,386.8	1,077,718.2	1,009,926.3	1,035,112.9	1,050,535.6	1,102,888.5	1,029,399.9	1,034,850.6
Non-Banks	30,344.0	39,587.4	38,709.0	43,471.4	56,115.0	59,311.9	64,920.9	76,780.9	71,387.9	71,270.6	105,086.9	122,985.1	128,568.7	167,489.8	181,204.5	237,131.2	249,197.1	213,119.1

1/ Includes Credit Institutions.

2/ Includes Coffee Marketing Board, Social Security fund, Government creditors and others.

Source: Bank of Uganda



Appendix 22: Monetary Survey (billion shs)

	Jun-91	Jun-92	Jun-93	Jun-94	Jun-95	Jun-96	Jun-97	Jun-98	Jun-99	Jun-00	Jun-01	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04
Net Foreign Assets	-157.8	-270.7	-205.3	-76.2	64.7	178.9	377.0	639.2	782.2	906.3	1,211.0	1,552.6	1,562.3	1,594.2	1,614.6	2,101.3	2,080.7	2,255.3	2,256.9	2,368.4
Monetary Authority (net)	-172.0	-312.7	-277.4	-148.5	-38.5	72.2	231.7	452.0	585.0	614.8	792.3	1,090.6	1,128.7	1,261.9	1,140.3	1,500.5	1,512.0	1,679.8	1,629.4	1,678.3
Foreign Reserves	38.8	85.7	134.2	212.6	375.0	507.9	663.9	924.6	1,086.6	1,130.7	1,273.5	1,557.1	1,602.7	1,724.8	1,628.0	1,931.1	1,947.1	2,081.4	2,037.6	2,027.2
Commercial Bank (net)	14.2	42.1	72.1	72.4	103.2	106.7	145.3	187.2	197.2	291.5	418.6	462.1	433.6	332.3	474.3	600.8	568.6	575.5	627.5	690.1
Domestic Credit	119.6	200.8	226.3	214.7	164.9	273.7	293.2	307.8	467.7	1,012.4	1,106.8	1,136.1	1,213.3	1,366.6	1,551.5	1,246.2	1,431.9	1,291.6	1,364.4	1,107.4
Claims on Central Government (net)	11.6	67.5	52.1	-0.3	-95.5	-65.2	-61.4	-128.5	-127.9	414.6	460.6	482.0	529.6	587.8	709.9	390.4	534.9	320.5	351.9	83.4
Claims on Parastatals (crop fin, barter)	...	...	23.6	24.3	26.4	26.4	27.1	27.5	48.2	16.4	10.3	6.9	6.8	5.8	9.0	6.6	8.1	8.3	14.6	13.6
Claims on Local Government	...	...	...	...	...	...	...	...	1.1	1.0	1.0	0.8	0.6	0.9	1.0	0.6	0.8	0.9	0.6	0.4
Claims on the Private Sector	108.0	133.2	150.6	190.8	234.1	312.4	327.5	408.8	546.3	580.4	634.9	646.4	676.4	772.1	831.5	848.6	888.2	962.0	997.4	1,010.0
Crop Finance	40.5	38.4	35.8	40.9	50.1	57.1	62.6	58.5	...	...	...	...	...	...	...	...	...	...	...	...
Other Loans/shgs loans to resident private sector	67.4	94.8	114.8	149.9	184.0	255.3	264.9	350.2	484.8	493.2	517.3	491.6	521.8	579.7	612.6	658.8	685.6	751.1	771.9	795.1
Forex loans to residents	...	...	...	...	...	...	...	...	61.5	87.2	117.6	154.8	154.6	192.5	218.9	189.8	202.6	210.9	225.5	214.9
Other Items (net)	177.0	306.8	317.0	310.2	341.9	231.4	138.9	73.0	-89.5	-571.5	-734.1	-763.3	-828.4	-905.7	-962.1	-974.1	-1,144.7	-1,140.0	-1,114.1	-888.5
Revaluation	192.7	358.4	369.7	332.3	354.3	328.4	304.3	246.6	193.4	-48.3	-99.1	-163.3	-189.0	-236.9	-294.4	-333.9	-333.2	-344.1	-342.4	-598.4
Other (net)	-10.7	-48.3	-56.6	-20.1	-12.1	-96.1	-174.0	-183.9	-315.8	-543.5	-648.1	-632.5	-677.4	-725.6	-771.2	-793.1	-879.1	-868.5	-883.8	-330.8
Reporting Error	-4.9	-3.3	3.8	-2.0	-0.4	-0.9	8.6	10.3	32.9	20.2	13.0	32.4	37.9	56.8	103.4	152.9	67.6	72.6	112.1	40.7
NDA (NET OF REVALUATION)	103.9	149.1	173.5	192.6	152.5	176.7	127.8	134.2	184.9	489.1	471.8	536.0	573.9	697.7	883.7	858.8	620.4	495.7	592.7	817.3
Broad Money - M3	138.7	236.9	338.0	448.7	571.5	684.1	809.1	1,020.0	1,160.5	1,347.2	1,583.7	1,925.4	1,947.2	2,055.0	2,204.0	2,373.4	2,367.9	2,407.0	2,507.2	2,587.3
Foreign Exchange Accounts	...	24.3	36.1	46.2	67.1	75.0	103.5	146.9	207.8	310.8	390.2	434.8	425.3	424.9	521.5	624.2	582.7	587.3	623.1	662.4
Broad Money - M2 A	138.7	212.6	301.8	402.6	504.4	609.0	705.6	873.1	952.7	1,036.3	1,193.4	1,490.6	1,521.9	1,630.2	1,682.4	1,749.2	1,785.2	1,819.7	1,884.1	1,924.9
Certificates of Deposit	...	...	...	0.0	0.0	0.0	0.0	0.0	11.1	10.8	7.9	5.8	5.8	5.8	5.8	4.0	4.0	3.8	3.8	2.0
Broad Money - M2	138.7	212.6	301.8	402.6	504.4	609.0	705.6	873.1	941.6	1,025.5	1,185.6	1,484.8	1,516.1	1,624.3	1,676.6	1,745.2	1,781.2	1,815.9	1,880.2	1,922.9
Currency In Circulation	56.2	84.4	99.9	135.3	169.5	210.3	220.8	239.5	284.7	306.7	350.2	407.2	411.9	466.6	443.9	461.4	473.5	546.2	521.8	529.3
Private Demand Deposits	58.0	82.1	122.0	157.2	206.3	220.7	263.9	324.9	360.1	413.1	482.9	617.5	630.0	640.0	724.8	725.1	741.3	692.2	756.5	804.0
Private Time and Savings Deposits	24.5	46.2	80.0	110.0	128.6	178.0	220.8	308.6	296.9	305.8	352.5	460.1	474.2	517.7	508.0	558.7	566.4	577.4	601.9	589.6
Total private deposits (incl CDs)	82.5	128.3	202.0	267.3	334.9	398.8	484.7	633.5	668.1	729.7	843.3	1,083.4	1,110.0	1,163.6	1,238.6	1,287.8	1,311.7	1,273.5	1,362.3	1,395.6
Memorandum Items																				
Vertical Check	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Change Relative to Jun (%)																				
M3	-75.7	70.7	42.7	32.8	27.4	19.7	18.3	26.1	13.8	16.1	17.6	21.6	1.1	6.7	14.5	23.3	-0.2	1.4	5.6	9.0
M2A	-72.5	53.2	42.0	33.4	25.3	20.7	15.8	23.7	9.1	8.8	15.2	24.9	2.1	9.4	12.9	17.3	2.1	4.0	7.7	10.0
M2	-72.5	53.2	42.0	33.4	25.3	20.7	15.8	23.7	7.9	8.9	15.6	25.2	2.1	9.4	12.9	17.5	2.1	4.0	7.7	10.0

Source: Bank of Uganda



Appendix 23: Monetary Authority Balance Sheet (billion shs)

	Jun-91	Jun-92	Jun-93	Jun-94	Jun-95	Jun-96	Jun-97	Jun-98	Jun-99	Jun-00	Jun-01	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04
Net Foreign Assets	-172.0	-312.7	-277.4	-148.5	-38.5	72.2	231.7	452.0	585.0	614.8	792.3	1,090.6	1,128.7	1,261.9	1,140.3	1,500.5	1,512.0	1,679.8	1,629.4	1,678.3
External Assets	39.9	90.4	140.7	216.0	378.0	513.3	666.9	927.6	1,098.0	1,147.4	1,299.9	1,581.2	1,617.0	1,741.1	1,647.2	1,990.4	2,002.8	2,141.5	2,075.9	2,047.0
o/w Foreign Reserves	38.8	85.7	134.2	212.6	375.0	507.9	663.9	924.6	1,086.6	1,130.7	1,273.5	1,557.1	1,602.7	1,724.8	1,628.0	1,931.1	1,947.1	2,081.4	2,037.6	2,027.2
Foreign Liabilities	211.9	403.1	418.1	364.5	416.5	441.1	435.2	475.6	512.9	532.6	507.6	490.6	488.3	479.2	506.9	489.9	490.8	461.7	446.5	368.7
o/w Use of Fund Resources	205.6	398.3	416.1	362.0	413.7	436.2	433.5	474.0	510.0	528.5	503.5	486.4	484.2	474.1	501.7	485.0	485.8	456.7	442.3	364.7
Net Domestic Assets	233.9	432.0	419.7	352.5	316.7	209.1	93.9	-81.3	-195.3	-136.2	-270.5	-501.4	-571.4	-630.2	-590.7	-906.0	-835.1	-981.0	-887.2	-897.3
Net Domestic Credit	40.8	100.7	82.3	34.0	-24.3	-31.5	-118.7	-221.6	-197.0	249.2	207.2	16.6	-18.0	-57.7	46.5	-190.8	-70.7	-207.3	-156.2	-448.5
Claims on Government (net)	14.3	74.6	58.7	9.8	-50.7	-57.9	-145.7	-249.1	-225.0	245.2	203.0	12.6	-21.9	-61.6	42.6	-194.8	-80.9	-217.7	-166.9	-474.4
Government Advances (adjusted)	271.2	317.8	343.5	570.8	719.6	788.2	819.6	936.9	1,125.6	1,115.0	1,697.2	1,312.5	1,350.3	1,385.0	1,308.5	1,543.4	1,140.1	1,336.7	1,374.7	1,199.5
Investment, Government Securities	0.0	0.0	2.8	0.1	0.8	62.2	61.9	62.0	64.8	70.2	62.2	124.7	121.1	155.2	118.9	127.2	100.0	106.4	106.6	200.0
Government Deposits	256.9	243.2	287.6	561.1	771.0	908.3	1,027.3	1,248.0	1,415.4	940.0	1,556.5	1,424.6	1,493.4	1,601.8	1,384.8	1,865.4	1,321.1	1,660.8	1,648.2	1,769.6
Claims on parastatals(barter, crop finance etc)	...	...	23.6	24.3	26.4	26.4	27.1	27.5	28.0	4.0	4.3	4.0	3.9	3.9	3.9	4.0	4.2	4.2	4.5	1.9
Claims on Private Sector (net)	26.5	26.1	...	...	...	...	...	...	...	...	...	...	...	...	...	...	6.0	6.1	6.1	23.9
Claims on Commercial Banks	5.5	2.0	3.0	3.3	1.9	-0.8	6.1	7.9	57.6	44.9	63.9	72.5	79.8	88.3	99.5	101.6	112.8	106.4	121.4	86.0
o/w Development Finance Funds	-0.1	0.0	1.1	0.0	1.8	-0.9	-5.1	-5.1	1.4	4.9	1.7	12.1	10.9	10.8	4.6	2.6	1.7	1.7	4.7	0.0
Other Items, Net	193.1	331.3	337.4	318.5	341.0	240.6	212.6	140.3	1.6	-385.4	503.9	-518.1	-553.4	-572.4	-637.2	-715.2	-764.4	-773.6	-731.0	-448.7
Other Assets	51.0	42.1	43.4	49.3	52.3	57.0	55.7	61.5	97.4	94.0	96.3	123.8	127.2	139.7	140.3	124.7	135.1	138.8	162.4	171.3
Other Liabilities	-142.1	-289.2	-302.5	-274.0	-292.2	-189.8	-164.0	-90.4	94.2	474.4	574.5	603.7	669.7	707.4	777.9	840.2	892.2	905.1	883.1	619.9
o/w Revaluation	...	13.1	7.8	-29.5	-17.2	11.5	23.3	125.5	306.4	86.6	91.9	188.2	217.1	286.1	386.0	338.8	345.7	365.0	358.7	525.2
o/w Currency Revaluation IMF	-192.7	-381.0	-387.4	-307.2	-341.4	-345.4	-333.0	-381.4	-512.2	-47.8	2.9	-27.0	-29.9	-50.1	-87.5	0.3	-5.1	-15.4	-11.4	69.8
Vertical check	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.7	1.7	4.7	0.0
Base Money + DMB's Investments in BOU Instruments	67.3	121.3	145.3	207.4	280.2	280.5	331.7	378.6	447.3	523.5	559.6	661.6	637.0	720.0	649.1	696.1	789.7	805.3	863.5	867.1
Base Money = CIC+Transactions bal of operating banks	67.3	121.3	145.3	207.4	280.2	280.5	331.7	373.1	432.5	442.4	549.6	630.0	610.2	681.3	636.1	630.6	729.7	767.1	792.8	809.9
Currency Outside BoU	60.6	92.7	108.9	147.8	187.0	229.2	245.9	269.8	317.2	335.5	386.7	447.9	461.5	527.9	495.2	520.3	539.7	623.8	592.9	605.3
Commercial Bank Deposits	6.7	28.6	36.4	59.6	93.2	51.3	85.8	103.3	128.5	141.5	210.4	235.1	207.8	211.8	202.1	162.7	243.3	197.2	258.3	264.9
Transaction bal of operating banks	6.7	28.6	36.4	59.6	93.2	51.3	85.8	103.3	115.3	106.9	162.9	182.1	148.7	153.4	140.9	110.4	190.1	143.3	199.9	204.6
Commercial Banks Investment in BoU Instruments	...	...	...	...	...	...	...	5.5	14.9	32.2	10.0	31.6	26.8	38.7	13.0	65.5	60.0	38.2	70.7	57.2
Liabilities to Commercial banks (PNs)	...	...	...	...	...	...	...	...	...	48.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum Items																				
Change Relative to Jun (%)																				
Base Money	...	80.1	19.8	42.7	35.1	0.1	18.3	12.5	15.9	2.3	24.2	14.6	-3.1	8.1	1.0	0.1	15.7	21.6	25.7	28.4
Commercial Bank deposits	...	325.2	27.2	63.8	56.4	-44.9	67.1	20.4	24.4	10.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Source: Bank of Uganda



Bank of Uganda

Appendix 24: Commercial Bank Balance Sheet (billion shs)

	Jun-91	Jun-92	Jun-93	Jun-94	Jun-95	Jun-96	Jun-97	Jun-98	Jun-99	Jun-00	Jun-01	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04
Net Foreign Assets	14.22	42.06	72.11	72.35	103.19	106.72	145.29	187.16	197.22	291.49	418.65	462.06	433.62	332.33	474.31	600.79	568.64	575.49	627.50	690.07
External Assets	19.64	54.75	100.38	108.46	122.47	134.76	165.73	254.05	271.99	364.68	498.39	551.10	500.26	444.76	551.59	702.20	693.18	701.04	756.24	789.76
Foreign Liabilities	5.42	12.69	28.28	36.11	19.28	28.04	20.44	66.89	74.76	73.19	79.75	89.04	66.64	112.43	77.28	101.40	124.54	125.55	128.73	99.69
o/w External Accounts	...	6.34	10.33	14.92	9.16	12.91	11.00	15.77	12.78	10.98	16.69	19.08	16.35	24.24	19.65	35.32	30.37	32.37	31.99	37.09
o/w Shillings deposits of non-residents	...	...	...	...	...	...	...	...	0.74	2.72	2.23	5.25	6.47	5.90	3.74	6.15	11.09	9.21	25.32	16.86
Net Domestic Assets	83.18	108.33	153.07	193.08	206.68	324.05	436.95	559.69	697.23	792.01	936.15	1,175.39	1,281.16	1,485.67	1,556.27	1,495.84	1,568.84	1,576.51	1,591.72	1,631.92
Claims on Central Government (net)	-2.69	-7.09	-6.55	-10.12	-44.87	-7.25	84.39	120.59	97.08	169.36	257.66	469.37	551.70	649.42	667.31	585.23	615.81	538.14	518.75	557.82
Advances	...	0.00	1.53	0.01	0.28	0.83	1.06	2.41	0.42	0.02	0.00	0.54	0.71	2.52	1.48	4.70	2.54	2.04	0.23	0.00
Government Securities	3.28	9.40	12.31	31.71	39.58	66.33	150.61	185.69	209.34	320.27	479.79	720.76	776.09	862.49	809.79	754.45	858.24	888.31	817.92	876.82
Government Deposits	5.97	16.49	20.40	41.84	84.73	74.42	67.28	67.51	112.68	150.93	222.13	251.93	225.11	215.59	143.97	173.92	244.96	352.21	299.39	319.00
Claims on Parastatals	...	...	...	...	...	...	...	...	20.20	12.39	6.02	2.86	2.85	1.92	5.10	2.55	3.88	4.08	10.04	11.69
Claims on Local Government	...	...	...	...	...	...	...	...	1.09	1.02	0.98	0.79	0.61	0.88	1.03	0.59	0.78	0.87	0.57	0.36
Claims on Private Sector	81.49	107.11	150.57	190.76	234.08	312.40	327.49	408.78	546.34	580.41	634.93	661.66	676.37	772.12	831.54	848.60	882.18	955.88	991.26	986.03
Crop Finance	16.14	22.77	35.82	40.89	50.09	57.10	62.59	58.53	...	...	...	...	...	...	...	...	...	...	...	...
Other Loans/shgs loans to resident private sector	65.35	84.34	114.75	149.86	183.99	255.30	264.90	350.25	484.80	493.20	517.28	506.83	521.81	579.66	612.61	658.80	679.53	744.99	765.79	771.16
Forex lending to resident private sector	...	...	0.00	0.00	0.00	0.00	0.00	0.00	61.54	87.22	117.65	154.83	154.57	192.47	218.93	189.80	202.65	210.90	225.47	214.88
Cash in Vaults	4.38	8.31	9.05	12.44	17.47	18.90	25.07	30.33	32.53	28.83	36.57	40.72	49.63	61.33	51.30	58.88	66.19	77.54	71.10	76.00
Net Claims on Bank of Uganda	-3.68	23.28	37.20	54.28	90.96	51.26	88.25	111.17	105.44	163.31	148.12	199.84	159.74	160.55	157.89	227.20	204.84	147.68	261.34	216.48
Balances with Bank of Uganda	1.00	29.62	45.65	60.42	98.85	58.98	93.19	116.19	117.20	112.38	159.91	188.54	153.24	143.33	165.18	182.00	165.14	129.78	210.94	269.65
Borrowing at Bank of Uganda	4.68	6.34	8.45	6.14	7.89	7.71	4.94	10.49	26.64	24.57	21.80	20.29	20.30	21.48	20.30	20.30	20.30	20.30	20.30	40.12
Investment in Bank of Uganda Instruments (REPO)	...	...	...	...	...	...	...	5.47	14.89	32.23	10.00	31.60	26.80	38.70	38.70	38.70	60.00	38.20	70.70	57.15
BOU PN's to Standard, UCB & CERUDEB	...	...	...	...	...	...	...	...	43.27	...	...	...	...	...	...	...	...	...	...	...
Other Items, Net	-11.20	-21.13	-24.28	-6.30	1.21	-8.22	-82.23	-77.56	-124.01	-206.30	-269.40	-303.87	-339.20	-390.11	-428.40	-411.78	-447.90	-438.94	-495.18	-480.49
Other Assets	76.64	100.20	127.88	160.51	159.31	159.61	135.71	177.02	188.32	242.95	268.36	335.60	275.79	292.85	328.52	314.00	356.04	344.02	322.24	247.89
Other Liabilities	87.85	121.34	152.16	166.81	158.10	167.83	217.94	254.58	312.33	449.25	537.76	639.46	614.98	682.96	756.93	725.78	804.28	782.95	817.42	728.39
o/w Interbank Claims (net)	-1.81	0.22	3.75	1.95	-3.85	-10.63	-16.10	-24.03	-18.82	79.22	-62.38	-19.76	-19.85	-8.20	-10.75	-39.09	-19.08	-21.12	-29.87	-6.70
o/w Revaluation	...	9.51	9.83	4.36	4.36	5.48	5.43	9.34	12.36	9.46	4.28	2.10	1.81	0.79	-4.22	-5.28	-7.51	-5.52	-4.83	3.45
Residual	0.02	0.00	0.00	0.00	-0.01	0.00	...	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01	0.00	0.34	0.00	0.00	0.00
Net Domestic Assets, NDA (net of revaluation)	83.18	98.81	146.28	191.48	204.22	321.62	435.77	562.08	684.87	782.55	931.88	1,158.04	1,279.35	1,484.88	1,560.49	1,501.12	1,576.36	1,582.03	1,596.55	1,628.47
Deposit Liabilities to the Non-Bank Public	82.52	152.54	238.10	313.42	402.04	473.80	588.26	780.46	875.89	1,040.51	1,233.52	1,518.18	1,535.32	1,588.44	1,760.07	1,912.06	1,894.43	1,860.74	1,985.39	2,057.97
Foreign Exchange Accounts	...	24.27	36.13	46.16	67.11	75.02	103.53	146.91	207.82	310.84	390.24	434.81	425.28	424.88	521.51	624.25	582.70	587.28	623.12	662.38
Shilling deposits	82.52	128.27	201.97	267.25	334.93	398.78	484.73	633.55	668.07	729.67	843.28	1,083.37	1,110.04	1,163.56	1,238.56	1,287.81	1,311.72	1,273.47	1,362.27	1,395.59
Demand Deposits	57.99	82.11	122.02	157.22	206.28	220.74	263.92	324.91	360.09	413.05	482.88	617.49	629.97	640.04	724.76	725.14	741.33	692.21	756.53	803.98
Time and Savings Deposits	24.53	46.16	79.95	110.03	128.64	178.04	220.81	308.64	296.90	305.80	352.53	460.06	474.24	517.70	507.98	558.67	566.40	577.41	601.89	589.59
Certificates of Deposits	...	...	...	...	...	...	...	...	11.08	10.82	7.87	5.82	5.82	5.82	5.82	4.00	4.00	3.85	3.85	2.02
Memorandum Item																				
NPA/Total Credit to Private Sector	0.56	0.56	0.18	0.53	0.51	0.45	0.30	0.20	0.20	0.12	0.08	0.04	0.03	0.03	0.00	0.00	0.00	0.00	0.00	0.00
Lending ratio: shgs since June 1999 (PSC/shgs dep)	0.99	0.84	0.71	0.64	0.58	0.67	0.59	0.59	0.63	86.16	0.51	0.38	0.40	0.43	0.45	0.46	0.45	0.49	0.49	0.47
Lending ratio: forex (PSC/forex deposits)	...	...	...	...	...	...	...	...	...	...	0.25	0.30	0.32	0.39	0.38	0.27	0.29	0.28	0.29	0.27

Source: Bank of Uganda



Appendix 25: Foreign Assets and Liabilities (million shs)

	Jun-91	Jun-92	Jun-93	Jun-94	Jun-95	Jun-96	Jun-97	Jun-98	Jun-99	Jun-00	Jun-01	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04
Monetary Authority																				
External Assets	56.93	77.34	117.33	222.81	391.40	484.81	624.74	752.96	755.89	730.07	754.07	879.81	889.07	939.82	835.51	993.81	1,009.13	1,106.53	1,077.99	1,144.37
o/w Foreign Reserves	55.36	73.32	111.91	219.29	388.20	479.73	621.89	750.49	748.07	719.44	738.74	872.93	881.22	931.06	825.78	964.18	981.04	1,075.47	1,058.08	1,133.32
Foreign Liabilities	302.66	344.98	348.64	375.98	431.21	416.59	407.70	386.04	353.13	338.89	294.45	272.97	268.50	258.67	257.10	244.61	247.27	238.54	231.87	206.10
o/w Use of Fund Resources	293.66	340.91	346.94	373.35	428.29	411.96	406.11	384.70	351.10	336.27	292.06	270.68	266.23	255.89	254.48	242.15	244.77	235.97	229.67	203.91
Commercial Banks																				
Foreign Assets	28.05	46.86	83.70	111.86	126.80	127.27	155.25	206.21	187.25	232.04	289.12	306.65	275.06	240.08	279.79	350.61	349.27	362.24	392.70	441.51
Foreign Liabilities	7.74	10.86	23.58	37.24	19.96	26.48	19.15	54.30	51.47	46.57	46.26	49.55	36.64	60.69	39.20	50.63	62.75	64.87	66.85	55.73
o/w External Accounts	...	5.42	8.61	15.39	9.48	12.19	10.30	12.80	8.80	6.99	9.68	10.62	8.99	13.08	9.97	17.64	15.30	16.73	16.61	20.74
o/w Non-resident sh deposits	...	...	...	...	...	...	...	...	4.61	3.64	1.29	2.92	3.56	3.18	1.89	3.07	5.59	4.76	13.15	9.42
Domestic (Forex) Liabilities	...	25.79	39.82	59.66	88.83	83.44	105.98	129.52	159.30	213.19	262.69	270.25	256.67	251.06	277.77	329.22	324.87	356.04	382.96	414.39
Foreign Exchange Accounts	...	20.77	30.13	47.61	69.48	70.85	96.98	119.24	143.07	197.78	226.38	241.94	233.83	229.35	264.53	311.69	293.60	303.45	323.58	370.30
Project Accounts	...	5.02	9.69	12.05	19.34	12.59	9.00	10.28	16.23	15.41	36.31	28.31	22.84	21.71	13.24	17.53	31.27	52.58	59.38	50.06
Domestic (Forex) Assets - lending to private sector	...	...	...	...	...	...	...	...	42.36	55.49	68.25	86.15	84.98	103.89	111.05	94.77	102.11	108.97	117.09	120.13
Memo Items																				
DMB - Foreign Currency Accounts	...	31.22	48.43	75.05	98.31	95.63	116.28	142.32	168.10	220.18	272.37	280.87	265.66	264.14	287.74	346.86	340.17	372.76	399.58	435.13
DMB - Net Assets subject to Revaluation	20.31	10.21	20.30	14.96	18.01	17.35	30.13	22.39	-23.52	-27.72	-19.83	-13.14	-18.25	-71.67	-37.18	-29.25	-38.35	-58.68	-57.11	-28.61
Use of Fund Resources (SDR m)	223.40	238.23	244.84	257.77	273.01	285.54	292.56	288.91	262.83	251.46	234.46	203.45	201.28	188.91	185.24	172.86	171.19	158.80	155.13	139.07
Change in DMBs' forex holdings	...	18.81	36.84	5.38	0.18	6.39	4.91	11.28	-36.91	0.00	18.65	0.00	-8.87	-20.03	13.94	0.00	11.20	9.22	6.58	-14.31
Exchange Rate - Sh/\$ (end of period)	700.00	1,168.43	1,199.30	969.60	965.86	1,058.82	1,067.49	1,232.00	1,452.56	1,571.65	1,723.84	1,797.15	1,818.75	1,852.57	1,971.47	2,002.81	1,984.68	1,935.32	1,925.71	1,788.76
Exchange Rate - Sh/SDR	920.15	1,672.02	1,699.41	1,404.34	1,515.20	1,527.60	1,481.83	1,640.51	1,940.43	2,101.74	2,147.30	2,391.04	2,405.64	2,509.45	2,708.39	2,805.66	2,837.67	2,875.83	2,851.03	2,622.72

Source: Bank of Uganda



Appendix 26: Monetary Survey Key Ratios and Growth Rates.

	Jun-91	Jun-92	Jun-93	Jun-94	Jun-95	Jun-96	Jun-97	Jun-98	Jun-99	Jun-00	Jun-01	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04
Foreign Exchange Accounts/M3	...	0.10	0.11	0.10	0.12	0.11	0.13	0.14	0.18	0.23	0.25	0.23	0.22	0.21	0.24	0.26	0.25	0.24	0.25	0.26
CIC/M3	0.41	0.36	0.30	0.30	0.30	0.31	0.27	0.23	0.25	0.23	0.22	0.21	0.21	0.23	0.20	0.19	0.20	0.23	0.21	0.20
Demand Deposits/M3	0.42	0.35	0.36	0.35	0.36	0.32	0.33	0.32	0.31	0.31	0.30	0.32	0.32	0.31	0.33	0.31	0.31	0.29	0.30	0.31
Time and Savings Deposits/M3	0.18	0.19	0.24	0.25	0.23	0.26	0.27	0.30	0.27	0.24	0.23	0.24	0.25	0.25	0.23	0.24	0.24	0.24	0.24	0.23
Money Multiplier (M3/Base Money)	2.06	1.95	2.33	2.16	2.04	2.44	2.44	2.73	2.68	3.05	2.88	3.06	3.19	3.02	3.46	3.76	3.24	3.14	3.16	3.19
Money Multiplier (M2/Base Money)	2.06	1.75	2.08	1.94	1.80	2.17	2.13	2.34	2.18	2.32	2.16	2.36	2.48	2.38	2.64	2.77	2.44	2.37	2.37	2.37
Money Multiplier (M2A/Base Money)	2.06	1.75	2.08	1.94	1.80	2.17	2.13	2.34	2.20	2.34	2.17	2.37	2.49	2.39	2.64	2.77	2.45	2.37	2.38	2.38
CIC/M2	0.41	0.40	0.33	0.34	0.34	0.35	0.31	0.27	0.30	0.30	0.30	0.27	0.27	0.29	0.26	0.26	0.27	0.30	0.28	0.28
CIC/M2A	0.41	0.40	0.33	0.34	0.34	0.35	0.31	0.27	0.30	0.30	0.29	0.27	0.27	0.29	0.26	0.26	0.27	0.30	0.28	0.27
Demand Deposits/M2	0.42	0.39	0.40	0.39	0.41	0.36	0.37	0.37	0.38	0.40	0.41	0.42	0.42	0.39	0.43	0.42	0.42	0.38	0.40	0.42
Demand Deposits/M2A	0.42	0.39	0.40	0.39	0.41	0.36	0.37	0.37	0.38	0.40	0.40	0.41	0.41	0.39	0.43	0.41	0.42	0.38	0.40	0.42
Time and Savings Deposits/M2	0.18	0.22	0.26	0.27	0.26	0.29	0.31	0.35	0.32	0.30	0.30	0.31	0.31	0.32	0.30	0.32	0.32	0.32	0.32	0.31
Time and Savings Deposits/M2A	0.18	0.22	0.26	0.27	0.26	0.29	0.31	0.35	0.32	0.31	0.30	0.31	0.32	0.32	0.31	0.32	0.32	0.32	0.32	0.31
M2/M3	1.00	0.90	0.89	0.90	0.88	0.89	0.87	0.86	0.81	0.76	0.75	0.77	0.78	0.79	0.76	0.74	0.75	0.75	0.75	0.74
M2A/M3	1.00	0.90	0.89	0.90	0.88	0.89	0.87	0.86	0.82	0.77	0.75	0.77	0.78	0.79	0.76	0.74	0.75	0.76	0.75	0.74
Time and Savings Deposits/Total Deposits (%)	29.72	35.99	39.59	41.17	38.41	44.65	45.55	48.72	46.10	43.39	42.74	43.00	43.25	44.99	41.48	43.69	43.48	45.64	44.47	42.39
Demand Deposits/Total Deposits (%)	70.28	64.01	60.41	58.83	61.59	55.35	54.45	51.28	53.90	56.61	57.26	57.00	56.75	55.01	58.52	56.31	56.52	54.36	55.53	57.61
Forex deposits/M3	0.00	0.10	0.11	0.10	0.12	0.11	0.13	0.14	0.18	0.23	0.25	0.23	0.22	0.21	0.24	0.26	0.25	0.24	0.25	0.26
Vulnerability, M3/Reserves	3.58	2.77	2.52	2.11	1.52	1.35	1.22	1.10	1.07	1.19	1.24	1.24	1.21	1.19	1.35	1.23	1.22	1.16	1.23	1.28
Vulnerability, M2/Reserves	3.58	2.48	2.25	1.89	1.35	1.20	1.06	0.94	0.88	0.92	0.94	0.96	0.95	0.95	1.03	0.91	0.92	0.87	0.92	0.95
Claims on Government (billion shs, net); change relative to June	...	55.95	-15.43	61.02	-95.20	30.38	3.80	-67.16	0.62	542.49	46.05	21.35	47.71	105.77	227.89	-91.62	144.51	-69.89	-38.48	-306.92
Share of Government in Domestic Credit (%)	9.70	33.65	23.60	-0.16	-58.48	-24.09	-21.13	-41.74	-27.34	40.95	41.62	100.00	43.65	43.01	45.76	31.33	37.35	24.81	25.79	7.54
Share of Private sector in Domestic Credit (%)	90.30	66.35	76.40	100.16	158.48	124.09	121.13	141.74	116.80	57.33	57.37	41.87	55.74	56.50	53.60	68.10	62.03	74.48	73.10	91.20
Share of credit to other public institutions (%)	...	...	...	0.00	...	...	...	...	...	...	...	57.47	0.61	0.49	0.64	0.58	0.62	0.71	1.11	1.26
Year on Year growth in M3	...	70.74	42.66	32.78	27.37	19.69	18.28	26.06	13.78	16.08	17.56	21.58	21.34	24.41	24.99	23.27	21.60	17.13	13.76	9.01
Year on Year growth in M2	...	53.25	41.95	33.38	33.62	25.70	18.54	23.74	7.86	8.91	15.61	25.24	24.31	23.73	20.49	17.54	17.48	11.79	12.14	10.18
Year on Year growth in M2A	...	53.25	41.95	33.38	33.62	25.70	18.54	23.74	9.13	8.78	15.16	24.90	23.99	23.44	20.23	17.35	17.30	11.63	11.98	10.04
Year on Year Growth in Base Money	...	80.11	19.81	9.53	11.25	-4.59	4.81	12.49	15.91	2.29	24.25	14.63	10.87	10.20	0.77	0.09	19.59	12.58	24.63	28.43
Year on Year Growth in private sector credit (DMB level)	...	31.43	43.41	25.98	24.03	34.75	10.01	26.76	33.65	6.24	9.39	14.63	6.32	22.44	29.24	28.25	30.43	23.80	19.21	16.20
Year on Year Growth in private sector credit (Monetary Survey)	...	123.39	126.67	26.25	23.67	30.74	9.70	24.10	33.65	6.24	9.39	4.21	6.32	22.44	29.24	28.25	31.32	24.59	19.94	19.02

Source: Bank of Uganda



Appendix 27: Commercial bank Outstanding Loans and Advances to the Private sector.

	Jun-91	Jun-92	Jun-93	Jun-94	Jun-95	Jun-96	Jun-97	Jun-98	Jun-99	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04
Agriculture	25,924	25,311	36,363	46,892	53,940	54,886	66,971	68,409	79,723	60,897	64,837	59,347	47,336	54,657	65,133	59,607	64,630	71,446	72,041	62,340	77,225	82,610	82,681	90,020	114,794	111,598
Production	9,776	2,543	541	6,000	3,849	3,782	4,378	9,878	12,592	10,969	12,792	13,031	13,085	16,315	19,667	17,015	16,918	20,156	22,053	17,597	22,521	27,043	25,218	25,721	37,991	43,053
Crop Finance	16,148	22,768	35,821	40,891	50,091	51,103	62,594	58,531	67,131	49,927	52,045	46,316	34,241	38,343	45,466	42,592	47,713	51,289	49,987	44,743	54,704	55,567	57,462	64,300	76,803	68,545
Manufacturing	8,987	17,786	24,565	40,184	53,952	66,741	80,759	102,439	171,128	184,583	194,550	211,699	219,209	223,363	204,081	191,880	189,147	170,260	142,312	185,268	203,616	201,843	208,576	224,287	218,857	207,262
Foods, Beverages, Tobacco	2,346	2,371	4,813	11,244	22,568	37,135	52,480	66,780	109,382	117,186	128,569	132,506	140,735	137,922	117,243	125,756	124,005	106,618	86,183	109,993	113,811	113,936	112,474	119,077	111,850	111,215
Leather/Textiles	822	1,394	1,728	2,024	2,533	1,696	2,453	2,488	6,052	3,367	2,462	10,611	9,904	19,154	16,002	1,638	1,715	1,869	2,311	2,218	4,781	4,649	7,722	7,652	11,671	11,626
Furniture and household	927	980	2,289	1,725	2,178	3,090	3,700	5,697	8,383	2,540	1,806	17,952	17,038	5,944	7,494	3,215	3,744	4,776	3,040	626	786	680	2,147	2,130	4,843	2,794
Chemical, pharmacy and rubber products	714	227	537	744	1,729	2,472	3,435	4,378	16,413	29,634	29,633	23,500	25,925	29,294	21,098	22,082	24,213	13,664	10,704	36,575	32,598	22,310	25,570	33,190	28,912	26,538
Metal products and machinery	1,441	942	3,068	3,319	3,990	1,795	5,057	7,039	3,691	5,786	5,259	2,820	3,325	4,627	2,473	3,895	4,418	5,899	3,701	2,680	2,465	2,282	4,605	4,564	11,537	11,346
Building and construction material	993	1,421	3,292	5,363	6,403	5,940	3,508	6,601	11,209	13,559	14,655	13,327	13,310	13,188	20,082	14,680	17,368	18,357	12,527	14,201	16,005	30,242	24,995	25,151	19,274	18,191
Others	1,743	10,470	8,860	15,777	14,552	14,612	10,125	9,458	15,997	12,541	12,167	10,982	8,972	13,234	19,689	20,634	13,685	19,077	23,847	18,975	33,142	27,743	31,063	32,523	30,770	25,552
Trade & Other Services	30,229	34,999	45,620	85,387	107,318	128,172	170,605	225,436	255,126	279,049	287,130	301,087	300,629	297,435	314,459	323,443	333,295	369,085	405,288	451,971	477,182	485,873	496,891	550,531	584,867	565,956
Wholesale (Imports + exports)	0	0	0	25,964	44,511	61,638	76,806	96,899	97,466	112,785	117,109	114,974	117,726	109,386	122,962	129,886	137,042	145,185	146,514	171,927	190,314	170,019	172,064	191,010	165,371	135,745
ow Imports	0	0	0	23,386	42,472	57,827	73,197	88,912	95,744	109,776	108,552	108,545	111,071	103,425	95,132	96,331	94,848	99,287	108,349	122,105	139,956	118,222	120,273	137,900	107,885	123,651
Exports (Non Agric; pdcts)	0	0	0	2,588	2,039	3,811	3,609	7,987	1,721	3,009	8,596	6,430	6,655	5,941	27,830	33,555	42,194	45,898	38,165	49,822	50,368	51,798	51,791	53,110	57,486	12,094
Retail	5,516	1,490	20,022	25,697	34,767	24,769	32,110	31,568	41,932	37,867	33,568	29,697	32,428	29,485	32,327	27,855	28,107	34,574	34,439	38,336	39,057	41,186	38,166	38,357	45,683	46,090
Others	12,625	33,508	25,598	33,726	28,041	41,766	61,689	96,970	115,728	128,397	136,453	156,416	150,475	158,584	159,170	165,702	168,146	189,326	224,334	241,708	247,801	274,657	286,662	321,164	353,814	384,121
Transport, Electricity & Water	6,137	6,676	7,803	9,102	8,268	8,270	9,587	12,857	29,485	37,059	38,840	35,354	34,694	35,121	31,235	31,162	31,392	29,941	33,149	47,622	49,655	54,008	66,168	63,231	70,677	81,353
Transport	5,882	6,665	7,791	8,906	8,124	7,764	9,002	12,218	29,073	36,916	38,798	35,353	34,683	35,105	31,235	31,145	30,846	29,936	25,136	39,581	42,344	53,535	57,195	63,190	70,465	81,202
Electricity & Water	255	11	12	196	143	507	586	639	412	143	43	0	0	16	0	17	547	5	8,013	8,041	7,322	473	8,973	41	213	151
Building and Construction	5,680	10,135	11,547	12,685	15,489	15,615	16,741	18,328	29,461	28,441	23,857	26,514	23,943	26,291	21,518	23,562	22,964	24,087	23,439	23,884	26,922	25,881	29,611	31,326	31,781	32,931
Mining and Quarrying	97	97	650	309	343	276	231	288	1,530	2,144	2,275	1,774	1,833	2,503	2,563	4,122	3,876	3,687	2,993	2,957	2,032	1,932	3,124	1,541	1,280	916
Total	77,025	95,003	126,549	194,569	239,310	273,960	344,894	427,757	566,452	570,071	611,489	635,774	627,644	639,370	638,987	633,776	645,305	688,505	679,222	774,043	836,642	852,146	887,051	960,935	1,002,257	1,000,015

Source: Bank of Uganda



Appendix 28: Commercial Bank Activities (billion shs)

	Jun-91	Jun-92	Jun-93	Jun-94	Jun-95	Jun-96	Jun-97	Jun-98	Jun-99	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04
Liabilities																										
Total Deposits	92.26	154.50	265.37	347.27	471.31	543.30	664.75	858.64	971.86	1,201.38	1,274.12	1,315.18	1,302.45	1,255.42	1,403.96	1,432.75	1,545.61	1,725.75	1,725.02	1,768.84	1,888.01	2,057.77	2,088.64	2,121.40	2,195.35	2,307.10
Private Demand Deposits	59.85	91.76	122.02	157.22	206.28	220.70	263.92	324.90	360.09	413.05	416.26	451.68	462.09	392.90	490.33	519.13	588.44	617.49	629.97	640.04	724.76	725.14	741.33	692.21	756.53	803.98
Private Time & Savings Deposits	22.48	46.30	79.95	110.03	128.64	178.00	220.81	308.60	296.88	316.61	350.11	353.56	348.69	344.29	379.12	408.09	412.22	460.06	474.24	517.70	507.98	558.67	566.40	577.41	601.89	589.59
Foreign Exchange deposits	0.00	0.00	36.13	46.16	67.11	75.00	103.53	146.90	207.82	310.84	387.39	354.72	367.00	374.37	377.19	331.12	363.94	434.81	425.28	424.88	521.51	624.19	582.70	587.28	623.12	662.38
Government Deposits	6.15	13.69	20.40	30.16	66.05	61.10	57.68	54.85	89.11	126.71	111.88	149.04	118.37	132.36	147.58	161.11	169.51	201.05	183.57	175.37	117.86	138.80	182.91	250.44	185.04	229.46
Inter bank deposits (excluding own)	3.77	2.75	6.87	3.70	3.22	8.50	18.82	23.39	17.97	34.16	8.47	6.17	6.29	11.51	9.72	13.30	11.49	12.34	11.95	10.85	15.90	10.97	15.31	14.06	28.78	21.69
Foreign Liabilities	5.42	20.36	27.29	36.44	19.28	28.00	20.44	66.90	74.76	73.19	66.64	103.28	75.93	70.91	80.52	89.33	88.57	89.04	66.64	112.43	77.28	101.40	124.54	125.55	128.73	99.69
Borrowing at Bank of Uganda	5.05	6.34	8.45	6.14	7.89	7.71	4.94	10.50	26.64	24.57	21.05	22.22	21.79	20.89	21.80	20.30	20.29	20.29	20.30	21.48	20.30	20.30	20.30	20.30	20.30	40.12
Items in Transit	10.35	0.78	0.00	2.12	11.86	8.11	-0.44	36.23	51.35	79.22	85.54	77.93	93.37	54.06	76.40	102.29	71.13	40.12	3.06	57.71	81.72	25.78	1.71	1.71	6.10	7.69
Capital and Reserves	35.07	42.44	19.49	-23.92	-57.51	-36.35	67.09	91.91	49.76	87.28	90.90	95.12	150.64	91.24	156.22	157.90	246.66	230.08	208.58	193.85	255.42	238.51	224.80	192.58	268.81	256.33
Other Liabilities	56.39	127.40	133.40	218.72	253.54	255.10	209.07	198.50	282.21	335.88	404.50	438.13	428.39	420.90	455.82	441.32	404.72	490.76	494.03	525.45	498.96	586.25	696.04	752.46	718.00	716.74
Total Liabilities	204.54	351.81	454.00	586.76	706.37	805.87	965.86	1,262.68	1,456.59	1,801.51	1,942.74	2,051.86	2,072.57	1,913.43	2,194.70	2,243.89	2,376.99	2,596.04	2,517.63	2,679.75	2,821.68	3,030.01	3,156.02	3,213.99	3,337.28	3,427.67
Assets																										
Cash held	4.38	8.31	9.05	12.44	17.47	18.90	25.07	30.30	32.53	28.83	31.87	46.87	30.85	30.77	35.90	51.08	30.79	40.72	49.63	61.33	51.30	58.88	66.19	77.54	71.10	76.00
Balances with Bank of Uganda	2.16	29.62	41.43	55.90	94.02	54.12	88.64	111.11	113.35	108.53	119.42	142.07	170.41	117.68	155.81	182.70	218.93	188.48	153.18	143.27	165.12	181.94	165.08	129.72	210.88	215.66
Foreign Assets	19.68	54.75	101.46	108.50	122.47	134.80	165.73	254.10	271.99	364.68	444.29	469.23	449.75	434.72	504.16	429.43	463.88	551.10	500.26	444.76	551.59	702.20	693.18	701.04	756.24	789.76
Government Securities	3.28	8.25	12.31	31.71	39.58	66.30	150.61	185.70	209.34	320.27	379.96	404.25	410.20	366.87	504.24	586.78	632.88	720.76	776.09	862.49	809.79	754.46	858.24	888.31	817.92	876.82
Advances and Discounts	77.09	104.82	155.57	215.50	260.59	347.48	355.71	434.21	566.96	592.82	619.35	638.12	628.69	624.10	640.03	634.84	646.31	665.06	679.94	776.57	838.12	855.84	888.59	962.01	1,001.52	998.23
Investments in Stocks and Shares	4.45	5.44	3.04	2.76	1.89	3.05	4.25	11.74	1.09	8.75	8.83	8.59	8.10	8.71	10.54	10.08	12.31	10.86	10.55	14.93	12.83	7.47	8.07	9.81	9.29	9.04
Other Assets	94.67	140.62	131.30	159.95	170.35	181.22	175.85	235.52	261.34	377.64	339.01	342.75	374.56	330.57	344.02	348.98	371.91	419.07	347.98	376.41	392.91	469.22	476.68	445.56	470.32	462.15
Total Assets	205.71	351.81	454.16	586.76	706.37	805.87	965.86	1,262.68	1,456.59	1,801.51	1,942.73	2,051.87	2,072.57	1,913.43	2,194.70	2,243.90	2,377.00	2,596.05	2,517.63	2,679.75	2,821.68	3,030.01	3,156.02	3,213.99	3,337.28	3,427.67
Advances/Deposits %	83.56	67.85	58.62	62.06	55.29	63.96	53.51	0.00	58.34	49.79	48.61	48.52	49.07	49.71	45.59	44.31	41.82	38.54	39.42	43.90	44.39	41.59	43.03	45.35	45.62	43.27
Cash Reserves/Deposits %	7.09	24.55	19.02	19.68	23.66	13.44	17.10	0.00	15.01	11.54	11.87	14.37	14.54	11.83	13.65	16.32	16.16	13.28	11.76	11.57	11.46	11.70	14.06	9.77	12.84	12.64

Source: Bank of Uganda



Appendix 29: Structure of Interest Rates (annual percentage)

	Jun-99	Sep-99	Dec-99	Mar-00	Jun-00	Sep-00	Dec-00	Mar-01	Jun-01	Sep-01	Dec-01	Mar-02	Jun-02	Sep-02	Dec-02	Mar-03	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	
Bank of Uganda																						
Ways and Means	8.12	8.45	10.80	8.83	18.36	17.63	13.40	17.41	5.97	12.05	5.71	2.97	5.26	6.45	10.66	13.52	18.51	14.85	21.44	7.83	6.39	
Rediscount rate	9.72	14.52	16.12	14.88	25.28	24.45	17.86	19.73	8.07	14.42	7.80	4.99	7.33	7.08	12.08	15.83	18.58	20.58	24.62	14.81	11.87	
Bank rate to Commercial Banks	11.15	14.75	15.75	15.73	26.99	25.58	18.86	20.73	9.07	15.42	8.80	5.99	8.33	8.08	13.08	16.83	19.58	19.58	19.58	19.58	19.58	
Treasury Bills																						
91 Days	8.12	8.45	10.80	8.83	18.36	17.63	13.40	17.41	5.97	12.05	5.71	2.97	5.26	6.45	10.66	13.52	18.51	14.85	21.44	7.83	6.39	
182 Days	8.66	8.94	9.39	9.70	20.27	23.74	14.95	25.46	9.18	14.09	7.28	4.29	6.73	10.35	15.40	14.76	20.30	17.50	23.65	8.25	7.93	
273 Days	10.94	9.49	8.95	10.06	13.95	24.05	22.37	24.76	10.29	15.69	9.42	5.57	8.65	13.02	15.82	15.27	20.46	18.04	23.28	9.14	10.51	
364 Days	12.61	11.16	9.08	9.76	12.49	25.22	22.67	22.49	10.53	15.58	10.55	5.62	10.01	13.43	16.06	15.66	20.54	17.69	22.33	9.74	10.84	
Commercial Banks (Weighted Average)																						
Local Currency																						
Deposit Rates	3.35	3.03	3.50	3.71	4.15	4.59	4.29	4.45	3.17	2.27	1.91	2.73	2.16	4.26	3.91	2.42	3.11	2.68	2.69	2.10	1.54	
Demand deposits	2.11	2.16	2.56	2.75	3.13	3.46	2.99	2.38	1.77	1.31	1.27	1.12	1.12	1.50	1.34	1.28	1.33	1.33	1.32	1.32	1.14	
Savings deposits	3.90	3.29	3.34	3.60	3.94	4.26	4.42	5.07	3.49	3.54	2.03	1.04	2.02	1.98	2.00	2.05	2.89	2.65	2.49	2.12	2.14	
Time Deposits	9.28	7.42	9.52	8.62	10.17	11.19	11.16	13.37	6.63	7.90	6.07	5.77	3.64	4.32	8.97	10.11	13.27	13.27	13.27	13.27	13.27	
Lending Rates	22.96	20.18	19.47	20.82	21.91	24.03	25.15	25.55	21.74	22.97	21.53	20.27	17.57	20.16	18.47	17.60	18.34	18.34	18.34	18.34	18.34	
Foreign Currency																						
Deposit Rates	2.85	2.68	2.51	3.14	3.21	3.51	3.16	2.23	1.92	1.55	1.69	1.14	1.94	1.97	0.43	1.09	0.98	0.98	1.01	0.99	1.04	
Demand deposits	2.45	2.40	2.08	2.69	2.67	3.22	2.89	1.98	1.74	1.36	0.37	1.11	1.26	0.95	0.99	0.95	0.96	0.96	0.89	0.96	1.00	
Savings deposits	3.95	3.95	3.96	5.36	5.36	5.21	4.02	2.46	2.18	2.18	3.00	3.82	3.86	1.95	1.95	1.90	1.00	1.55	1.71	1.66	1.45	
Time Deposits	6.63	7.26	6.45	7.42	5.24	5.85	5.64	6.13	5.39	4.73	3.72	3.25	4.59	2.68	2.60	1.90	1.73	1.85	1.75	1.51	2.73	
Lending Rates	22.25	14.54	10.59	10.31	15.05	14.46	16.18	14.22	14.69	14.21	11.20	11.67	12.42	11.40	11.08	9.82	11.07	8.29	10.16	9.11	6.74	

Source: Bank of Uganda



Appendix 30: Foreign Exchange Rates (Shs per US\$)

Year/Month	Bureau Weighted Average		Bureau Middle Rate	Official Middle Rate	Nominal Effective Exchange Rate (NEER)	Real Effective Exchange Rate (REER)
	Buying Rate	Selling Rate				
Calendar Year Average						
1990	...	...	...	436.33	100.00	100.00
1991	915.84	954.24	935.04	749.58	146.99	128.10
1992	1,214.79	1,259.92	1,237.35	1,145.43	201.57	135.60
1993	1,201.33	1,233.02	1,217.18	1,195.02	163.55	126.65
1994	986.67	1,020.13	1,003.40	979.45	120.09	102.66
1995	963.35	988.56	975.96	968.65	123.19	104.00
1996	1,043.31	1,065.19	1,054.25	1,045.36	126.31	103.18
1997	1,073.67	1,095.86	1,084.76	1,083.01	122.83	96.05
1998	1,230.23	1,245.62	1,237.93	1,240.22	136.77	108.47
1999	1,448.23	1,467.52	1,457.88	1,455.59	150.49	114.88
2000	1,636.29	1,656.95	1,646.62	1,644.47	156.05	120.12
2001	1,742.62	1,767.69	1,755.15	1,755.66	158.39	122.97
2002	1,790.54	1,802.66	1,796.60	1,797.00	106.79	101.43
2003	1,955.76	1,970.59	1,963.17	1,963.68	120.55	113.20
Fiscal Year Average						
1989/90	...	...	...	332.17	76.77	78.00
1990/91	761.88	798.80	780.34	558.33	121.03	114.10
1991/92	1,107.44	1,153.37	1,130.40	983.37	180.19	136.98
1992/93	1,223.66	1,257.86	1,240.76	1,201.82	191.57	134.29
1993/94	1,112.38	1,148.46	1,130.42	1,102.71	136.53	111.47
1994/95	929.83	952.14	940.98	932.60	119.23	102.85
1995/96	1,009.29	1,034.20	1,021.74	1,011.77	124.20	103.32
1996/97	1,049.80	1,073.42	1,061.61	1,058.08	125.50	100.82
1997/98	1,139.70	1,159.19	1,149.45	1,149.65	126.47	98.18
1998/99	1,351.53	1,372.30	1,361.91	1,362.03	147.27	115.67
1999/00	1,508.39	1,523.44	1,515.92	1,512.78	150.85	115.60
2000/01	1,748.22	1,776.68	1,762.45	1,762.92	161.18	123.40
2001/02	1,747.29	1,762.16	1,754.72	1,754.56	157.55	124.52
2002/03	1,875.47	1,889.55	1,882.51	1,882.86	113.87	108.15
2003/04	1,925.83	1,943.22	1,934.52	1,934.88	119.74	113.08
Monthly Average						
2000 Jan	1,519.04	1,533.88	1,526.46	1,525.75	155.18	117.34
Feb	1,510.94	1,531.67	1,521.31	1,519.43	151.00	117.85
Mar	1,511.08	1,520.43	1,515.76	1,513.68	149.07	115.16
Apr	1,521.61	1,532.03	1,526.82	1,525.86	149.31	115.37
May	1,569.32	1,591.70	1,580.51	1,579.67	149.62	116.78
Jun	1,559.32	1,594.58	1,576.95	1,565.57	150.66	119.52
Jul	1,585.80	1,606.49	1,596.15	1,596.42	153.12	121.26
Aug	1,659.10	1,681.23	1,670.17	1,676.30	157.71	123.24
Sep	1,763.23	1,787.80	1,775.52	1,770.51	161.85	124.83
Oct	1,812.55	1,831.80	1,822.18	1,826.59	164.88	124.30
Nov	1,839.51	1,856.30	1,847.91	1,850.26	166.48	123.36
Dec	1,783.99	1,815.49	1,799.74	1,783.67	163.72	122.39
2001 Jan	1,820.85	1,844.87	1,832.86	1,830.44	170.25	130.22
Feb	1,716.60	1,757.16	1,736.88	1,742.97	160.84	123.32
Mar	1,718.02	1,777.21	1,747.62	1,753.79	160.37	123.46
Apr	1,752.78	1,790.46	1,771.62	1,773.82	160.22	121.97
May	1,771.50	1,792.83	1,782.17	1,782.68	159.09	122.33
Jun	1,754.68	1,778.53	1,766.61	1,767.64	155.62	120.06
Jul	1,716.35	1,739.97	1,728.16	1,725.74	152.18	117.89
Aug	1,739.01	1,757.17	1,748.09	1,750.61	157.44	123.64
Sep	1,747.84	1,761.14	1,754.49	1,752.90	158.62	125.55
Oct	1,731.74	1,746.35	1,739.05	1,737.69	156.54	123.42
Nov	1,732.69	1,742.60	1,737.65	1,736.22	155.52	122.83
Dec	1,709.34	1,724.02	1,716.68	1,713.41	154.01	121.00
2002 Jan	1,730.90	1,744.96	1,737.93	1,738.74	154.62	122.62
Feb	1,733.72	1,748.21	1,740.97	1,741.44	154.04	122.15
Mar	1,765.02	1,776.48	1,770.75	1,771.03	157.48	125.23
Apr	1,785.74	1,799.37	1,792.56	1,792.19	160.52	127.22
May	1,790.15	1,804.00	1,797.08	1,797.59	163.20	129.87
Jun	1,784.98	1,801.62	1,793.30	1,797.17	166.42	132.85
Jul	1,797.87	1,808.75	1,803.31	1,802.83	169.58	137.14
Aug	1,801.39	1,810.77	1,806.08	1,805.83	168.19	135.21
Sep	1,808.09	1,816.06	1,812.08	1,812.64	168.69	134.74
Oct	1,822.80	1,832.01	1,827.41	1,827.20	168.57	131.04
Nov	1,826.59	1,837.81	1,832.20	1,832.32	170.32	131.70
Dec	1,839.19	1,851.93	1,845.56	1,845.01	173.46	133.83
2003 Jan	1,860.95	1,873.01	1,866.98	1,867.69	180.26	139.60
Feb	1,876.44	1,889.53	1,882.99	1,883.78	182.54	141.29
Mar	1,927.15	1,958.88	1,943.02	1,944.45	189.57	146.51
Apr	1,965.13	1,983.97	1,974.55	1,976.53	194.09	149.71
May	1,988.76	2,005.18	1,996.97	1,997.85	197.22	151.77
Jun	1,991.32	2,006.67	1,999.00	1,998.23	200.36	153.71
Jul	1,991.79	2,002.01	1,996.90	1,995.28	122.63	113.40
Aug	1,992.16	2,002.17	1,997.17	1,998.49	122.45	113.32
Sep	1,989.63	1,997.42	1,993.53	1,993.55	122.24	113.58
Oct	1,983.12	1,996.34	1,989.73	1,990.73	122.84	114.70
Nov	1,967.16	1,978.21	1,972.69	1,974.49	122.23	114.19
Dec	1,935.46	1,953.65	1,944.56	1,943.16	121.08	113.48
2004 Jan	1,928.89	1,945.93	1,937.41	1,938.16	120.71	114.95
Feb	1,847.59	1,888.11	1,867.85	1,865.06	116.40	110.59
Mar	1,913.83	1,936.46	1,925.15	1,926.65	119.82	114.66
Apr	1,909.45	1,926.97	1,918.21	1,918.78	119.17	114.31
May	1,844.25	1,864.09	1,854.17	1,855.53	114.59	110.82
Jun	1,806.65	1,827.22	1,816.94	1,818.66	112.68	108.96

Source: Bank of Uganda



Appendix 31: volumes Inter-bank and Bureau Transactions (million US\$)

Year/Month	Bureaux		Inter-bank	
	Purchases	Sales	Purchases	Sales
1990/91	90.06	83.68		
1991/92	157.85	153.13		
1992/93	270.60	267.15		
1993/94	322.43	375.12	382.17	364.40
1994/95	376.33	445.55	1,012.21	1,012.40
1995/96	322.71	328.42	1,334.23	1,297.25
1996/97	299.89	329.82	1,370.34	1,344.76
1997/98	318.42	358.13	1,426.32	1,403.18
1998/99	298.92	320.47	1,526.52	1,558.51
1999/00	404.20	402.11	1,486.73	1,605.82
2000/01	515.90	505.10	1,526.84	1,685.37
2001/02	679.08	671.15	1,762.17	1,950.16
2002/03	718.27	709.15	1,780.00	2,013.72
2003/04	605.73	698.05	2,009.16	2,143.83
2001 Jan	36.64	37.47	138.46	157.66
Feb	32.24	38.65	140.10	131.28
Mar	34.01	35.10	116.90	122.44
Apr	37.23	39.58	115.91	124.97
May	38.81	42.71	144.97	157.25
Jun	31.71	39.31	147.13	181.19
Jul	46.28	48.46	152.23	165.76
Aug	46.33	55.29	154.83	172.56
Sep	42.94	48.15	135.98	150.72
Oct	43.22	49.45	128.44	141.59
Nov	45.64	49.56	135.40	150.46
Dec	47.44	52.09	149.74	154.36
Total	482.50	535.83	1,660.09	1,810.24
2002 Jan	45.79	56.29	161.95	186.48
Feb	39.69	44.32	135.79	142.39
Mar	38.95	47.01	150.86	176.51
Apr	47.33	50.19	163.35	191.95
May	44.48	51.54	153.56	159.53
Jun	43.67	48.52	140.05	157.85
Jul	61.73	51.47	166.10	198.82
Aug	59.91	59.80	133.93	148.90
Sep	62.26	62.74	143.20	152.98
Oct	64.84	64.95	158.56	176.09
Nov	63.25	63.43	135.02	145.91
Dec	68.98	68.14	158.32	158.16
Total	640.86	668.40	1,800.68	1,995.57
2003 Jan	72.55	72.31	147.16	168.31
Feb	63.03	62.62	163.97	189.55
Mar	56.85	56.26	160.39	199.45
Apr	46.80	46.89	129.30	148.55
May	57.24	56.91	137.37	166.18
Jun	40.83	43.64	146.69	160.82
Jul	44.53	52.79	148.29	156.70
Aug	45.49	50.93	138.93	154.56
Sep	49.98	56.15	150.06	153.44
Oct	49.71	55.52	162.89	171.38
Nov	49.74	52.70	142.21	148.33
Dec	59.45	65.31	195.16	196.74
Total	636.20	672.02	1,822.41	2,014.01
2004 Jan	51.36	57.23	168.28	158.61
Feb	44.49	54.99	186.05	195.24
Mar	55.79	64.27	177.83	189.87
Apr	55.05	63.76	162.55	192.95
May	50.14	61.06	175.75	208.79
Jun	50.01	63.34	201.16	217.22
Total	306.82	364.65	1,071.62	1,162.68

Source: Bank of Uganda



Appendix 32: Consumer Price Index, Uganda (1997/98 = 100)

	Food 45.22	Beverages and Tobacco 8.62	Clothing and Footwear 5.45	Rent, Fuel and Utilities 14.05	Household and Personal Goods 5.33	Transport and Communication 6.7	Health Education & Entertainment 14.63	All Items Index 100	Inflation Monthly % Change	Annual % Change
Calendar Year (Average)										
1990	32.6	41.5	62.5	31.3	48.2	33.2	25.5	34.9	1.7	23.6
1991	40.4	51.8	80.1	44.0	60.1	42.5	34.5	44.5	2.4	27.7
1992	66.8	81.3	104.1	61.2	88.4	63.3	54.3	68.8	3.2	54.3
1993	64.1	93.4	109.6	70.5	93.2	67.0	67.8	72.4	0.4	6.3
1994	74.3	95.1	102.8	77.8	93.8	71.1	77.9	79.6	0.6	10.1
1995	77.7	94.9	102.4	89.1	95.7	76.8	91.0	84.9	0.8	6.7
1996	82.8	97.0	104.5	95.5	99.2	82.8	106.3	90.9	0.4	7.1
1997	97.8	99.0	99.9	98.6	99.2	92.5	101.2	98.2	0.8	8.0
1998	95.8	99.1	103.1	102.3	101.9	100.6	101.1	98.9	-0.2	0.6
1999	102.4	107.4	109.9	103.4	106.6	105.4	107.8	104.6	0.7	5.8
2000	103.3	114.7	113.3	105.9	114.9	113.4	114.6	108.1	0.4	3.4
2001	99.9	123.0	117.8	113.9	120.1	116.4	121.0	110.2	-0.4	1.9
2002	95.6	131.1	113.9	117.2	117.4	116.7	126.2	109.8	0.5	-0.3
2003	110.3	132.4	116.4	123.4	123.9	124.7	133.2	119.4	0.5	8.7
Fiscal Year (Average)										
1990/91	36.2	46.0	70.7	36.4	52.5	37.7	29.1	39.0	2.4	24.3
1991/92	52.0	62.7	92.6	52.6	75.7	52.0	43.3	55.5	4.4	41.3
1992/93	67.4	88.4	110.2	66.9	90.6	67.5	62.3	72.2	-0.2	34.4
1993/94	69.9	99.3	105.9	74.2	95.5	68.2	73.2	76.9	1.3	6.7
1994/95	75.6	94.0	100.4	83.0	93.1	73.5	83.9	81.6	0.3	6.2
1995/96	79.1	95.7	104.4	93.7	98.2	80.1	99.1	87.7	0.4	7.5
1996/97	89.8	97.5	102.7	97.5	99.1	85.7	105.7	94.5	0.8	7.7
1997/98	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	-0.1	5.8
1998/99	95.7	100.3	106.5	103.0	104.3	101.4	103.8	100.2	0.4	0.2
1999/00	102.1	113.8	111.2	104.3	109.7	109.5	111.3	106.1	0.2	5.9
2000/01	105.6	115.1	117.6	109.8	119.4	115.5	118.1	110.8	0.5	4.5
2001/02	93.7	131.5	115.1	116.0	118.5	117.0	123.6	108.6	-0.2	-2.0
2002/03	104.0	129.7	114.6	119.9	119.4	119.4	129.9	114.8	0.8	5.7
2003/04	110.0	134.9	116.6	126.3	125.6	126.7	135.6	120.5	0.1	5.2
Monthly										
2000 Jan	103.7	116.3	110.5	103.6	108.8	110.8	109.8	106.7	-2.1	5.9
Feb	97.3	116.3	110.8	104.9	110.5	110.4	112.8	104.5	-2.0	2.1
Mar	100.2	116.1	110.5	104.6	110.1	110.5	113.1	105.8	1.2	3.1
Apr	102.2	116.1	111.1	104.6	110.4	111.5	113.4	106.8	1.0	2.4
May	100.4	113.7	110.6	104.0	114.2	111.7	113.4	105.9	-0.9	2.2
Jun	97.6	113.0	110.9	105.4	115.4	111.5	115.1	105.2	-0.6	1.9
Jul	97.3	115.7	113.8	104.1	116.5	115.0	115.3	105.7	0.5	2.5
Aug	101.5	114.0	114.8	103.5	116.2	113.2	116.0	107.3	1.5	2.9
Sep	105.6	113.3	115.4	104.8	116.1	114.8	116.5	109.4	2.0	2.9
Oct	109.4	113.8	114.7	110.8	118.6	117.5	116.4	112.2	2.5	4.2
Nov	113.8	114.3	117.2	110.4	120.3	115.5	116.8	114.4	2.0	6.1
Dec	111.3	113.9	119.3	110.0	121.2	117.5	117.1	113.5	-0.8	4.2
2001 Jan	107.0	114.0	121.7	108.8	121.1	116.0	117.4	111.5	-1.7	4.6
Feb	104.3	113.9	120.6	112.0	121.8	114.8	119.9	111.0	-0.5	6.2
Mar	103.9	113.7	118.6	110.8	120.8	115.3	119.8	110.5	-0.4	4.5
Apr	106.0	118.2	118.4	112.1	120.6	115.7	119.7	112.0	1.4	4.9
May	105.1	117.8	117.7	111.3	119.3	114.5	119.4	111.3	-0.7	5.1
Jun	101.5	118.3	118.4	118.6	119.7	115.5	122.9	111.3	0.1	5.9
Jul	98.8	130.5	117.3	117.2	119.7	116.0	120.5	110.7	-0.5	4.8
Aug	95.5	130.3	116.8	114.6	120.1	116.0	121.5	109.4	-1.2	2.0
Sep	94.7	129.5	116.5	115.2	120.4	115.8	121.9	108.6	-0.7	-0.8
Oct	94.6	129.9	115.6	115.5	120.3	116.6	122.7	108.7	0.1	-3.1
Nov	94.1	129.6	115.4	114.7	118.8	116.3	122.8	108.2	-0.5	-5.4
Dec	92.4	130.6	116.1	115.9	118.3	124.3	123.2	108.5	0.2	-4.4
2002 Jan	91.8	131.3	114.8	115.9	117.9	118.0	123.2	107.7	-0.7	-3.5
Feb	91.3	130.3	114.3	117.2	117.9	117.4	124.5	107.8	-0.1	-2.9
Mar	90.9	134.7	113.8	117.2	117.6	116.7	125.6	107.9	0.2	-2.3
Apr	92.8	134.3	112.7	116.6	117.0	116.4	125.7	108.6	0.6	-3.1
May	93.5	133.7	113.6	115.6	116.4	114.6	125.5	108.6	0.0	-2.4
Jun	92.8	132.9	113.7	116.2	117.6	115.3	126.1	108.5	-0.1	-2.5
Jul	91.2	129.1	114.2	118.3	117.5	116.0	126.9	107.9	-0.6	-2.5
Aug	93.4	129.3	112.4	118.5	117.1	115.5	126.5	108.8	0.8	-0.5
Sep	96.2	129.3	113.4	117.8	117.7	115.2	126.8	110.1	1.2	1.3
Oct	102.4	129.4	114.4	117.7	118.0	115.5	127.6	113.0	2.7	3.9
Nov	105.2	129.0	115.0	117.9	116.8	116.4	128.2	114.3	1.1	5.6
Dec	106.0	129.5	114.1	117.4	117.8	116.0	128.0	114.7	0.3	5.7
2003 Jan	104.9	129.6	115.4	119.3	118.4	117.7	130.4	115.0	0.3	6.8
Feb	104.9	129.6	115.4	124.0	119.0	119.0	131.6	116.0	0.8	7.6
Mar	106.3	130.4	116.0	122.7	121.0	124.0	132.9	117.1	1.0	8.5
Apr	113.3	130.1	115.6	123.4	123.3	125.4	132.6	120.5	2.8	10.9
May	113.6	130.5	115.1	121.0	122.4	125.2	132.7	120.2	-0.2	10.7
Jun	111.1	130.8	114.7	121.2	123.6	126.6	134.2	119.6	-0.5	10.2
Jul	110.2	136.0	115.6	123.4	123.9	125.5	133.9	119.9	0.3	11.1
Aug	109.5	134.5	116.7	126.1	124.8	124.7	134.7	120.0	0.1	10.3
Sep	110.6	134.4	116.7	126.8	124.7	124.7	134.7	120.5	0.4	9.5
Oct	112.4	134.7	117.8	126.6	124.8	124.5	133.5	121.2	0.6	7.3
Nov	113.1	134.2	118.5	123.6	124.8	125.5	133.5	121.2	-0.1	6.0
Dec	113.9	134.4	118.8	123.2	124.2	124.8	134.2	121.4	0.2	5.9
2004 Jan	108.6	135.0	118.6	125.1	124.5	124.5	134.5	119.6	-1.5	4.0
Feb	106.1	135.2	116.9	127.6	125.5	127.7	136.9	119.3	-0.2	2.9
Mar	106.0	135.2	116.0	127.3	126.2	127.5	136.9	119.2	-0.1	1.8
Apr	109.5	135.2	115.8	128.1	128.2	127.5	137.1	121.0	1.5	0.5
May	111.6	134.8	114.2	128.4	127.5	126.8	138.7	122.1	0.9	1.6
Jun	108.3	134.8	113.3	129.2	127.8	128.4	138.0	120.6	-1.2	0.9

Source: Uganda Bureau of Statistics



Appendix 33: Composite CPI for Uganda: Break down by major groups (1997/98 = 100)

	Food Crops	Other Goods and Services			All Items Index	Annual Percentage Changes					
		Goods	Services	Total		Food Crops	Other Goods and Services		Total	All Items	
							Goods	Services			Inflation	Headline
Weights	27.4	47.2	25.4	72.6	100.0						
Calendar Year (Average)											
1990	32.4	41.9	26.2	36.2	34.9	9.3	24.3	52.5	31.0	23.6	23.6
1991	39.6	53.6	35.6	47.0	44.5	23.2	27.8	35.3	29.8	27.7	27.7
1992	71.0	75.8	53.7	67.7	68.8	79.0	41.8	51.3	44.3	54.3	54.3
1993	64.6	82.5	64.9	76.1	72.4	-4.9	9.0	21.6	12.6	6.3	6.3
1994	74.5	85.9	73.6	81.4	79.1	15.6	4.2	13.6	7.1	9.4	9.4
1995	73.2	92.6	86.9	90.6	84.9	-1.5	7.8	18.1	11.3	7.4	7.4
1996	76.5	97.5	98.0	97.8	90.9	4.7	5.4	12.8	8.0	7.1	7.1
1997	97.3	99.5	98.0	99.0	98.2	27.1	2.0	0.0	1.2	8.0	8.0
1998	92.4	100.0	102.7	100.9	98.9	-5.0	0.6	4.8	2.0	0.6	0.6
1999	100.0	105.3	107.9	106.1	104.6	8.2	5.3	5.0	5.1	5.8	5.8
2000	101.8	108.7	113.2	110.1	108.1	1.8	3.2	4.9	3.8	3.4	3.4
2001	92.3	113.7	119.9	115.8	110.2	-9.4	4.7	6.1	5.2	1.9	1.9
2002	84.4	114.3	125.0	117.9	109.8	-8.5	0.4	4.2	1.8	-0.3	-0.3
2003	106.1	120.0	130.5	123.5	119.4	26.7	5.1	4.4	4.8	8.7	8.7
Fiscal Year (Average)											
1990/91	36.3	46.6	29.8	40.5	39.0	18.7	23.6	38.6	27.3	24.3	24.3
1991/92	51.9	65.1	44.1	57.4	55.5	41.1	39.1	47.1	41.2	41.3	41.3
1992/93	71.6	79.2	60.4	72.4	72.2	52.7	23.7	38.6	27.9	34.4	34.4
1993/94	70.0	85.4	69.2	79.5	76.4	-0.6	7.8	14.7	9.9	6.0	6.0
1994/95	73.7	88.6	79.8	85.5	81.6	6.4	3.8	15.2	7.5	6.8	6.8
1995/96	73.0	95.3	93.6	94.8	87.7	-0.9	7.6	17.4	11.0	7.5	7.5
1996/97	85.2	99.1	98.5	99.0	94.5	16.5	3.9	5.4	4.5	7.7	7.7
1997/98	100.0	100.0	100.0	100.0	100.0	17.4	0.9	1.6	1.0	5.8	5.8
1998/99	92.2	101.7	105.0	102.8	100.2	-7.8	1.7	5.0	2.8	0.2	0.2
1999/00	100.5	106.8	110.5	107.9	106.1	9.0	5.0	5.1	5.0	5.8	5.8
2000/01	103.1	111.7	116.5	113.3	110.8	2.5	4.6	5.6	5.0	4.5	4.5
2001/02	81.4	114.3	122.9	117.3	108.6	-21.0	2.3	5.6	3.5	-2.0	-2.0
2002/03	97.9	116.2	127.7	120.1	114.8	20.2	1.7	3.8	2.4	5.7	5.7
2003/04	106.1	120.0	130.5	123.5	119.4	26.7	5.1	4.4	4.8	8.7	8.7
Monthly											
2000 Jan	103.4	106.8	110.9	107.8	106.7	8.9	5.2	5.0	5.1	5.9	5.9
Feb	92.1	107.3	111.1	108.5	104.5	-1.9	3.1	4.0	3.4	2.1	2.1
Mar	97.5	107.1	111.2	108.5	105.7	0.7	3.4	4.9	4.0	3.1	3.1
Apr	101.7	107.2	111.5	108.5	106.8	1.2	1.8	5.0	2.8	2.4	2.4
May	97.8	106.9	111.7	108.5	105.9	-0.7	1.9	5.3	3.0	2.2	2.2
Jun	93.1	107.2	112.7	109.0	105.2	-1.8	2.2	4.3	2.9	1.9	1.9
Jul	92.4	107.9	113.4	109.8	105.7	-1.1	2.6	4.8	3.4	2.5	2.5
Aug	99.3	107.9	113.3	109.7	107.2	2.8	2.1	4.3	2.9	2.9	2.9
Sep	105.2	109.3	113.6	110.8	109.4	1.9	2.5	3.8	3.0	2.9	2.9
Oct	110.1	111.2	116.2	112.9	112.2	2.2	4.4	5.3	4.6	4.2	4.2
Nov	115.4	113.2	115.9	114.1	114.4	6.5	5.8	5.9	5.9	6.1	6.1
Dec	113.9	111.9	116.5	113.5	113.5	2.2	3.9	6.2	4.7	4.2	4.2
2001 Jan	106.4	111.5	116.3	113.2	111.6	2.8	4.5	5.9	5.0	4.6	4.6
Feb	100.3	112.7	117.7	114.4	111.0	8.9	5.0	5.9	5.4	6.2	6.2
Mar	100.0	111.9	117.8	113.9	110.5	2.5	4.5	5.9	5.0	4.5	4.5
Apr	103.3	113.0	118.3	114.8	112.0	1.6	5.5	6.2	5.7	4.9	4.9
May	99.5	113.3	118.1	114.9	111.3	1.8	6.0	5.7	5.9	5.1	5.1
Jun	91.3	116.1	120.4	117.6	111.3	-2.0	8.3	6.8	7.9	5.9	5.9
Jul	89.0	116.1	120.4	117.6	110.7	-3.7	7.6	6.2	7.1	4.8	4.8
Aug	85.9	114.9	120.4	116.8	109.4	-13.5	6.4	6.3	6.4	2.0	2.0
Sep	82.5	114.9	120.7	116.8	108.6	-21.5	5.1	6.3	5.5	-0.8	-0.8
Oct	83.2	114.2	122.2	116.9	108.7	-24.5	2.6	5.2	3.6	-3.1	-3.1
Nov	84.3	112.8	121.1	116.0	108.2	-27.0	-0.4	5.3	1.6	-5.4	-5.4
Dec	81.4	113.3	124.7	117.2	108.5	-28.5	1.2	7.1	3.3	-4.4	-4.4
2002 Jan	78.2	113.9	123.4	117.1	107.7	-26.5	2.1	6.1	3.5	-3.5	-3.5
Feb	77.4	114.1	123.9	117.5	107.8	-22.8	1.3	5.3	2.7	-2.9	-2.9
Mar	76.4	114.7	124.4	118.0	107.9	-23.6	2.5	5.6	3.6	-2.3	-2.3
Apr	79.6	114.2	124.8	117.8	108.6	-22.9	1.1	5.5	2.6	-3.1	-3.1
May	79.7	114.4	124.2	117.7	108.6	-19.9	0.9	5.2	2.4	-2.4	-2.4
Jun	79.4	114.1	124.8	117.7	108.5	-13.0	-1.8	3.7	0.1	-2.5	-2.5
Jul	76.8	113.9	125.3	117.8	107.9	-13.7	-1.9	4.1	0.2	-2.5	-2.5
Aug	81.2	113.6	125.2	117.5	108.8	-5.4	-1.1	4.0	0.6	-0.5	-0.5
Sep	85.8	114.1	125.2	117.7	110.1	3.9	-0.9	3.7	0.8	1.3	1.3
Oct	95.8	114.7	126.1	118.5	113.0	15.2	0.5	3.1	1.4	3.9	3.9
Nov	100.9	114.6	126.5	118.6	114.3	19.8	1.6	3.5	2.3	5.6	5.6
Dec	102.1	114.7	126.5	118.7	114.7	25.4	1.3	1.5	1.3	5.7	5.7
2003 Jan	99.6	115.7	128.0	119.9	115.0	27.4	1.6	3.8	2.4	6.8	6.8
Feb	98.8	117.7	128.7	121.3	116.0	27.6	3.1	3.8	3.3	7.6	7.6
Mar	101.9	117.9	130.0	121.9	117.1	33.4	2.8	4.5	3.3	8.5	8.5
Apr	113.1	119.0	130.4	122.8	120.5	42.1	4.2	4.5	4.3	10.9	10.9
May	113.7	118.3	130.0	122.2	120.2	42.7	3.4	4.7	3.8	10.7	10.7
Jun	104.8	120.7	130.7	124.1	119.6	31.9	5.8	4.8	5.4	10.2	10.2
Jul	102.5	122.4	130.9	125.3	119.9	33.5	7.4	4.4	6.3	11.1	11.1
Aug	103.2	122.2	131.0	125.2	120.0	27.1	7.6	4.7	6.5	10.3	10.3
Sep	106.4	121.8	131.2	125.0	120.5	24.1	6.9	4.8	6.1	9.5	9.5
Oct	108.9	121.9	131.4	125.1	121.2	13.7	6.3	4.3	5.6	7.3	7.3
Nov	109.7	121.4	131.6	124.8	121.2	8.7	5.9	4.1	5.2	6.0	6.0
Dec	111.0	121.3	132.0	124.9	121.4	8.7	5.8	4.3	5.2	5.9	5.9
2004 Jan	100.5	122.0	132.6	125.5	119.6	0.9	5.4	3.5	4.7	4.0	4.0
Feb	95.8	122.9	134.4	126.8	119.3	-3.1	4.4	4.5	4.5	2.9	2.9
Mar	94.8	123.0	134.4	126.8	119.2	-7.0	4.3	3.4	4.0	1.8	1.8
Apr	99.2	124.1	134.9	127.8	121.1	-12.3	4.3	3.5	4.1	0.5	0.5
May	102.1	124.6	135.6	128.3	122.1	-10.2	5.4	4.3	4.9	1.6	1.6
Jun	97.1	124.3	135.3	128.0	120.6	-7.3	2.9	3.4	3.1	0.9	0.9

Source: Uganda Bureau of Statistics



Appendix 34: Consumer Price Index, Kampala (1997/98 = 100)

	Food 43.1	Bevarages & Tobacco 8.9	Clothing & Footwear 5.5	Rent Fuel & Utilities 15.5	H.Hold & Personal Goods 4.9	Transport & Communic 8.1	Health Education & Entert. 14.1	All Items Index 100.0	Monthly Percent Change All Items Index	Annual Percent Change (Inflation)
Calendar Year (Average)										
1990	33.8	43.2	62.3	30.5	47.9	32.2	25.1	35.0	...	33.2
1991	41.5	55.0	79.4	43.2	60.0	41.2	33.7	44.8	...	28.1
1992	67.0	84.9	104.0	59.1	88.4	61.7	54.3	68.2	...	52.4
1993	64.5	96.8	110.1	68.0	93.7	66.0	68.7	72.4	...	6.1
1994	75.1	97.3	102.9	74.8	93.3	70.8	77.8	79.4	...	9.7
1995	79.7	97.5	102.6	89.1	65.4	76.6	91.9	86.3	...	8.6
1996	84.1	97.6	104.4	96.7	98.9	82.9	110.1	92.6	...	7.3
1997	98.6	99.3	99.7	98.2	99.2	91.9	103.2	98.8	...	6.8
1998	96.2	99.0	103.1	102.8	101.5	101.3	99.8	99.0	-0.1	0.2
1999	104.6	107.8	110.4	105.4	107.4	105.7	105.6	105.6	0.7	6.7
2000	104.2	115.0	115.0	108.1	116.6	111.2	111.2	108.5	0.3	2.8
2001	100.0	122.5	119.5	118.5	121.6	114.8	118.1	110.7	-0.4	2.0
2002	95.2	130.1	115.0	122.7	118.8	114.6	123.6	110.4	0.3	-0.3
2003	108.6	108.6	131.6	116.2	127.6	125.1	120.4	131.7	119.0	0.5
Fiscal Year (Average)										
1990/91	37.3	48.6	70.3	35.7	52.4	36.4	28.5	39.2	...	24.6
1991/92	53.2	66.4	92.1	51.5	75.7	50.4	42.7	55.7	...	42.1
1992/93	67.1	90.7	110.5	64.3	90.7	66.4	62.9	71.5	...	28.4
1993/94	70.6	103.3	106.3	71.8	95.4	67.5	73.9	77.0	...	7.8
1994/95	76.9	96.2	100.6	80.8	92.6	73.4	84.4	82.0	...	6.5
1995/96	80.8	97.5	104.1	94.8	97.9	79.9	100.5	89.3	...	8.9
1996/97	91.2	97.9	102.6	97.4	99.0	85.7	109.4	95.8	...	7.3
1997/98	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	-0.1	4.3
1998/99	97.6	100.8	107.1	104.3	104.3	102.2	102.4	100.8	0.5	0.8
1999/00	104.3	116.1	111.8	106.8	112.2	109.1	109.1	107.6	0.1	6.7
2000/01	105.7	115.0	120.0	112.6	121.3	113.2	114.4	111.0	0.5	3.1
2001/02	93.9	130.9	116.1	121.9	119.9	115.6	121.0	109.6	-0.3	-1.2
2002/03	102.7	128.4	115.5	124.9	121.2	116.6	128.1	114.7	0.7	4.7
2003/04	107.8	134.3	116.2	129.5	128.1	123.0	134.0	119.9	0.2	4.6
Monthly										
2000 Jan	104.9	116.7	111.2	106.8	109.9	108.9	107.1	107.5	-2.5	6.1
Feb	99.1	116.8	111.8	107.4	111.6	108.9	110.7	105.7	-1.6	2.9
Mar	102.2	116.2	110.7	107.3	110.8	108.8	110.7	106.9	1.1	3.5
Apr	104.6	116.9	111.7	107.2	111.4	109.1	110.8	108.1	1.1	2.4
May	100.8	114.5	111.4	105.0	116.4	108.7	110.6	106.0	-1.9	1.8
Jun	98.1	113.7	112.4	106.5	116.7	109.8	111.3	105.3	-0.7	0.8
Jul	97.0	117.5	115.6	105.9	118.0	115.4	111.0	105.7	0.4	1.6
Aug	101.3	113.8	117.6	103.7	117.9	111.4	111.7	106.8	1.0	1.8
Sep	105.3	112.9	118.1	105.5	117.4	112.7	112.1	108.9	2.0	1.5
Oct	109.9	114.0	116.4	113.2	120.9	112.6	112.8	112.3	3.2	3.0
Nov	115.1	114.2	120.2	114.8	123.2	112.8	112.7	115.1	2.5	5.2
Dec	112.4	113.2	122.2	114.1	125.1	115.6	113.5	114.3	-0.7	3.3
2001 Jan	107.2	113.7	125.2	112.2	122.3	113.7	113.9	111.7	-2.2	4.0
Feb	104.0	113.4	123.2	113.8	123.1	112.1	116.4	110.7	-0.9	4.8
Mar	104.2	113.3	120.9	114.4	122.8	113.1	116.3	110.9	0.1	3.7
Apr	106.2	118.1	120.6	116.4	122.5	113.4	116.6	112.4	1.4	4.1
May	104.7	118.1	119.5	114.7	120.5	112.5	116.6	111.3	-1.0	5.0
Jun	100.8	117.5	120.1	122.9	121.9	113.7	118.8	111.3	0.0	5.8
Jul	97.9	129.8	118.9	123.2	121.2	114.2	118.9	111.2	-0.1	5.2
Aug	95.3	129.2	117.8	119.2	121.4	114.5	119.4	109.5	-1.5	2.6
Sep	94.7	128.3	117.2	120.1	122.2	114.5	119.6	109.3	-2.0	0.4
Oct	95.3	128.9	117.1	122.2	121.5	114.6	120.2	110.0	0.6	-2.1
Nov	95.5	129.1	116.4	121.1	120.3	114.4	120.4	109.8	-0.1	-4.6
Dec	94.0	130.3	117.7	122.3	119.7	127.0	120.3	110.5	0.6	-3.3
2002 Jan	93.3	130.5	115.6	123.7	119.7	115.3	120.5	109.5	-1.0	-2.0
Feb	92.2	129.8	114.9	124.7	119.7	115.6	121.2	109.2	-0.3	-1.4
Mar	91.4	134.6	114.8	123.5	119.4	115.0	122.7	109.2	0.0	-1.5
Apr	92.6	134.3	113.8	121.9	117.9	114.7	122.8	109.3	0.1	-2.8
May	92.8	133.8	115.0	120.2	116.7	113.3	122.3	108.9	-0.3	-2.1
Jun	92.2	132.4	114.4	120.6	118.7	114.1	124.0	108.9	0.0	-2.2
Jul	89.9	127.3	115.0	123.3	118.8	114.8	124.2	108.0	-0.8	-2.8
Aug	92.1	127.9	113.5	123.0	118.1	114.3	124.2	108.9	0.8	-0.6
Sep	94.6	127.9	115.0	122.4	118.2	114.3	124.4	109.9	1.0	0.6
Oct	101.8	127.8	116.4	123.0	120.1	114.6	125.1	113.4	3.2	3.1
Nov	104.1	127.4	117.1	122.6	117.9	114.8	125.7	114.3	0.8	4.1
Dec	105.0	127.7	114.7	123.4	120.0	114.7	125.5	114.8	0.4	3.9
2003 Jan	103.5	128.6	116.2	123.7	120.8	115.4	129.7	115.1	0.2	5.1
Feb	103.4	129.1	116.2	130.0	121.3	116.1	130.3	116.2	1.0	6.4
Mar	105.2	129.5	116.6	128.8	122.7	118.7	131.9	117.3	1.0	7.5
Apr	112.9	129.3	116.0	129.7	125.5	118.2	131.4	120.8	2.9	10.5
May	111.9	129.3	115.0	124.6	124.2	120.0	131.9	119.7	-0.9	9.9
Jun	107.4	129.4	114.5	124.1	126.3	123.3	132.6	118.1	-1.3	8.4
Jul	106.3	135.7	115.0	127.1	126.3	122.1	132.0	118.5	0.3	9.7
Aug	106.6	133.5	116.0	129.3	126.0	121.8	132.9	118.9	0.4	9.2
Sep	109.5	133.5	115.8	129.8	126.5	121.6	133.1	120.2	1.1	9.4
Oct	110.7	133.5	116.9	130.3	126.9	121.8	131.2	120.7	0.4	6.4
Nov	111.8	133.3	117.9	126.5	126.9	123.2	130.8	120.7	0.0	5.5
Dec	114.1	134.1	118.7	127.0	127.5	122.0	132.5	122.0	1.1	6.3
2004 Jan	107.1	134.2	118.8	128.3	126.7	121.6	132.8	119.2	-2.3	3.6
Feb	104.7	134.7	116.1	130.7	127.7	124.0	135.7	119.1	-0.1	2.5
Mar	102.5	134.8	116.1	129.5	128.7	124.0	135.8	118.0	-0.9	0.6
Apr	106.1	134.8	115.8	130.7	131.6	124.5	136.1	120.0	1.7	-0.7
May	108.2	134.8	114.4	132.1	130.5	124.0	137.5	121.1	0.9	1.2
Jun	105.6	134.8	113.0	132.7	131.8	125.1	137.5	120.1	-0.8	1.8

Source: Uganda Bureau of Statistics



Appendix 35: Index of Industrial Production (Annual Summery for groups (1997/98=100)).

Group/Subgroup	No. of Establs	Weight	Calendar							Fiscal					
			1997	1998	1999	2000	2001	2002	2003	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03
Food Processing	46	3928	1000	1100	1230	1182	1310	1350	1361	100	1218	1176	1240	1320	1403
Meat and meat products	3	071	930	1095	99.4	950	90.0	93.1	1031	100	1047	842	96.7	92.2	937
Fish and Fish product	5	336	760	1238	1409	1657	2630	254.7	2292	100	1300	1182	212.6	249.8	2886
Dairy products	7	200	930	1008	78.8	717	62.1	57.8	557	100	961	699	67.3	57.7	635
Edible oil	5	398	963	1126	132.3	1450	156.1	142.4	1570	100	1279	1358	153.3	153.1	1431
Grain milling	5	088	774	1124	1130	1905	185.7	176.4	2110	100	1109	1342	191.2	170.7	1935
Bakeries	8	383	786	1149	98.5	1512	89.1	81.0	873	100	1125	1259	134.2	81.5	877
Sugaring/Jaggery	3	838	1052	104.3	129.6	1392	137.4	169.9	1803	100	1254	1322	133.3	153.1	1810
Coffee processing	14	11.14	1208	112.8	137.9	791	108.8	108.0	980	100	1269	1065	95.6	108.0	1051
Tea processing	14	269	818	102.6	96.0	1135	125.9	128.8	1433	100	941	1051	117.3	127.5	1356
Animal feeds	6	088	1219	86.5	83.4	892	65.9	90.1	1207	100	863	850	70.3	68.2	1209
Other Food processing	4	1.43	797	102.5	120.4	1001	154.7	109.4	00	100	1056	1096	118.6	144.3	1039
Drinks & Tobacco	11	1863	946	1040	1120	1160	1190	1220	1373	100	1084	1128	1200	1160	1365
Alcohol and Beverages	2	957	922	107.7	116.7	1299	122.7	119.0	1270	100	1122	1241	130.1	114.0	1385
Soft drinks	7	523	952	105.3	119.0	121.6	152.0	177.0	2075	100	1098	121.1	134.1	166.7	1879
Cigarettes	2	383	999	96.9	91.7	736	66.0	56.6	646	100	969	731	79.0	56.0	614
Textiles Clothing & Footwear	7	456	825	1284	1854	1789	1660	1650	2082	100	1679	1921	1650	1637	1826
Textiles and garments	4	267	929	105.2	114.4	800	71.6	63.5	1005	100	1157	1085	66.9	70.0	747
Cotton spinning	14	120	500	151.6	290.4	3365	305.9	317.5	3543	100	2306	3463	289.3	308.4	3367
Leather and footwear	3	069	1196	162.6	210.0	1884	199.8	218.4	2528	100	2203	1701	220.9	181.1	2351
Paper & Printing	13	619	942	1150	1341	1635	1830	1567	1982	100	1252	1533	1750	1567	1906
Paper product	6	143	993	103.9	121.6	1694	182.7	226.6	2331	100	1100	1507	172.0	214.5	2308
Printing and publishing	7	476	924	116.8	135.3	1555	183.3	135.8	1851	100	1298	1514	179.5	138.4	1785
Chemicals/Paint&Soap	18	821	957	1094	1250	1248	1380	1320	1500	100	1185	1250	1344	1344	1402
Chemicals	2	086	993	105.7	134.3	1151	100.1	107.7	1330	100	1173	1319	109.7	100.7	1170
Paint	4	090	906	102.0	108.7	1177	117.5	87.8	902	100	1012	1126	117.0	106.4	894
Soap and detergents	9	481	998	111.3	132.4	1436	163.9	156.4	1816	100	1257	1364	156.6	156.2	1700
Foam products	3	169	847	109.5	108.9	804	108.8	96.3	1024	100	1079	958	92.6	103.3	962
Bricks & Cement	10	560	1008	1090	1180	1362	1480	1679	1695	100	1180	1273	1427	1610	1638
Bricks, Tiles, Etc.	7	1.19	994	109.3	118.1	1253	122.2	161.3	1401	100	1150	1273	124.3	145.7	1540
Cement and lime	3	440	1012	108.9	118.8	1392	155.8	169.7	1636	100	1188	1272	147.8	165.2	1637
Metal Product	15	1052	885	1110	1260	1559	2040	2020	1729	100	1222	1403	1780	2220	1761
Roofing products	4	580	888	109.5	129.0	1196	121.9	139.9	1642	100	1264	1266	113.8	129.3	1560
Other metal products	11	476	881	114.1	123.7	1999	291.8	277.5	1834	100	1171	1569	289.1	329.6	2005
Miscellaneous	15	700	1052	1010	981	980	1037	1521	1568	100	1043	1007	920	1310	1564
Vehicle Parts and Accessories	2	071	...	101.8	99.7	998	105.9	110.5	1018	100	953	1073	102.3	105.5	1079
Plastic Products	12	321	995	113.3	127.8	1270	153.7	224.0	2886	100	1282	1213	145.1	190.4	2428
Electrical Products	1	307	1236	89.6	66.5	67.1	53.0	86.4	524	100	812	776	35.1	71.5	770
Index - All Items	136	10000	967	1097	1234	1275	1414	1450	1509	100	1199	1247	1341	1437	1508
Annual percentage change			...	13.4	12.5	33	11.0	2.9	37	...	199	39	7.57	7.2	49

Source: Uganda Bureau of Statistics



Appendix 36: Index of Industrial Production monthly summary for index groups (Formal sector, 1997/98=100)

	Food Processing	Beverages and Tobacco	Textiles Clothing & Footwear	Paper, Publishing & Printing	Chemicals Paint, Soap & Foam Prds	Bricks and Cement	Metal Products	Miscellaneous	All Items Index	12-Month Moving Average	Monthly Change All Items Index
No. of Establs	44+	12	9+	13	22	11	19	17	147+		
Weight	39.3	18.6	4.6	6.2	8.2	5.6	10.5	7.0	100		
Calendar Year											
1997	100.0	94.6	82.5	94.2	95.5	100.8	88.5	105.4	96.7		
1998	110.0	104.8	128.4	115.3	109.4	109.0	111.6	101.8	109.7		
1999	123.6	112.3	185.4	134.1	125.3	118.7	126.6	98.1	123.4		
2000	118.2	116.0	178.9	163.5	124.8	136.2	155.9	98.0	127.5		
2001	131.9	119.0	166.3	183.8	138.3	148.6	204.9	103.7	141.4		
2002	135.3	122.5	168.4	156.7	132.0	167.9	202.2	152.0	145.5		
2003	136.4	137.3	208.2	194.9	150.7	158.5	178.6	140.7	150.6		
Fiscal Year											
1997/98	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		
1998/99	121.8	108.4	167.9	125.2	118.5	118.0	122.2	104.3	119.9		
1999/00	117.6	112.8	192.2	153.3	125.0	127.3	140.3	100.7	124.7		
2000/01	124.6	120.8	165.8	175.0	134.4	142.7	178.2	92.6	134.1		
2001/02	132.6	116.9	163.7	156.7	134.5	161.0	222.8	131.3	143.7		
2002/03	140.0	131.8	186.6	191.8	140.2	163.7	176.1	154.5	150.0		
2003/04 1/	142.1	145.5	223.5	184.9	162.6	167.3	190.6	131.4	156.5		
Monthly											
2000 Jan	136.3	116.4	189.9	166.0	136.9	127.7	114.7	97.9	131.5	123.2	-2.0
Feb	114.5	105.9	208.2	155.4	128.8	111.2	104.7	87.3	117.8	122.3	-10.4
Mar	114.2	123.3	205.2	171.8	126.5	144.3	131.9	113.2	128.1	122.6	8.8
Apr	105.1	110.2	182.5	161.4	113.7	144.8	162.0	100.8	121.7	123.7	-5.0
May	116.4	95.4	194.5	169.0	126.6	139.1	199.9	127.7	131.0	124.6	7.7
Jun	98.4	105.6	172.6	163.7	107.0	127.3	155.1	116.5	116.7	124.7	-10.9
Jul	131.2	110.1	201.3	162.5	127.9	120.9	153.7	103.0	131.9	125.5	13.0
Aug	127.4	97.0	179.6	161.4	128.4	174.3	176.2	83.5	131.0	126.3	-0.7
Sep	116.9	127.9	159.3	161.6	131.3	143.1	162.0	79.4	128.4	127.1	-2.0
Oct	108.7	114.3	157.0	169.2	137.3	140.2	187.1	90.2	126.8	127.7	-1.3
Nov	122.6	133.4	148.4	167.3	125.7	126.2	175.3	91.2	132.4	127.6	4.4
Dec	127.2	152.7	148.8	152.3	107.2	135.3	148.6	85.2	132.6	127.5	0.2
2001 Jan	145.3	107.7	177.7	196.4	147.7	132.1	172.2	89.2	141.3	128.3	6.5
Feb	133.0	109.3	158.0	199.8	130.7	137.6	166.5	89.9	134.4	129.7	-4.9
Mar	140.7	122.7	158.0	188.0	139.5	144.0	200.1	99.9	144.5	131.1	7.5
Apr	111.5	128.3	177.4	169.3	146.9	147.2	195.8	108.9	134.8	132.2	-6.7
May	113.0	127.6	173.5	183.1	141.7	163.8	206.5	101.3	137.0	132.7	1.7
Jun	117.5	118.0	151.0	189.0	148.6	147.9	194.2	89.9	133.9	134.1	-2.3
Jul	163.4	92.8	166.8	179.3	135.7	144.9	225.8	103.9	150.5	135.6	12.3
Aug	140.6	104.0	165.7	173.2	136.0	162.8	235.7	113.6	145.9	136.9	-3.0
Sep	145.3	103.6	160.3	177.4	129.6	151.0	224.1	121.3	145.8	138.3	-0.1
Oct	117.2	121.0	178.2	201.5	169.0	162.4	204.0	111.8	141.4	139.6	-3.0
Nov	115.8	140.4	165.9	172.0	116.9	146.7	220.9	80.2	136.5	139.9	-3.5
Dec	139.6	152.8	162.6	176.3	116.9	142.9	213.0	134.3	151.1	141.4	10.6
2002 Jan	132.5	120.8	182.9	150.8	140.0	185.1	214.1	161.4	147.9	142.0	-2.1
Feb	131.3	115.9	167.7	124.2	127.4	146.5	176.8	139.7	135.6	142.1	-8.4
Mar	128.9	117.2	154.4	107.9	131.1	165.3	215.1	143.3	138.9	141.6	2.5
Apr	121.9	107.2	160.4	112.0	135.0	166.4	260.4	146.7	140.2	142.1	0.9
May	113.8	104.8	163.7	145.7	131.4	185.3	253.8	159.7	139.8	142.3	-0.3
Jun	141.3	122.6	135.6	160.2	144.5	172.7	229.6	160.1	151.4	143.7	8.3
Jul	145.5	106.0	184.0	160.7	132.2	155.1	264.5	157.9	153.7	144.0	1.5
Aug	151.6	114.2	168.8	177.9	130.3	177.7	245.4	185.9	159.0	145.1	3.5
Sep	148.1	124.6	165.2	233.7	130.2	163.9	157.9	144.0	150.0	145.4	-5.7
Oct	126.2	137.3	180.5	181.5	142.8	164.5	142.2	155.3	141.4	145.4	-5.7
Nov	129.8	122.4	182.6	173.7	115.8	161.2	134.6	162.4	136.9	145.5	-3.1
Dec	152.3	177.1	174.4	152.4	122.8	171.3	131.5	107.0	151.2	145.5	10.4
2003 Jan	157.4	146.9	190.3	211.7	149.6	176.1	168.2	153.5	161.6	146.6	6.9
Feb	147.2	132.5	206.7	205.7	142.1	154.3	189.1	167.5	156.6	148.4	-3.1
Mar	146.5	141.1	203.5	190.0	158.0	173.5	181.2	152.1	157.3	149.9	0.4
Apr	134.2	126.4	196.2	189.4	148.0	146.6	167.9	141.3	144.9	150.3	-7.9
May	120.0	126.1	197.5	218.1	163.0	172.1	161.1	151.1	143.7	150.6	-0.8
Jun	120.9	126.9	189.0	206.7	148.0	148.0	170.0	175.5	143.2	150.0	-0.3
Jul	132.3	119.8	216.2	180.1	143.7	151.5	189.0	120.7	143.9	149.0	0.5
Aug	136.5	138.0	207.9	170.0	145.0	168.1	176.5	110.8	147.0	148.1	2.2
Sep	138.5	121.7	210.2	202.5	155.5	166.5	175.0	121.2	148.2	147.8	0.8
Oct	129.5	148.5	229.6	203.7	168.0	106.3	195.3	129.6	151.0	148.6	1.9
Nov	124.4	141.3	223.8	169.2	146.4	162.9	190.7	135.5	146.6	149.4	-2.9
Dec	149.0	178.2	227.1	192.2	140.6	176.1	179.7	129.6	163.4	150.4	11.5
2004 Jan	170.1	159.8	227.5	186.6	194.5	185.8	210.1	156.8	178.0	151.8	8.9
Feb	145.4	141.2	232.2	166.3	190.1	189.7	181.4	133.3	159.0	152.0	-10.7
Mar	153.1	160.7	236.6	193.6	179.7	199.0	217.8	145.5	171.9	153.3	8.1

1/ Average for 9months to March 2003

Source: Uganda Bureau of Statistics



Appendix 37: Pump Prices for Petroleum Products (Kampala pump prices, shs per Litre)

Year and Effective Month of Increase	Motor Spirit Premium (PMS)	Diesel (AGO)	Kerosene (BIK)	Exchange Rate (shs per US\$)
1999 Jan	1,150	920	780	1,369
Feb	1,150	920	780	1,377
Mar	1,150	920	780	1,381
Apr	1,150	920	780	1,450
May	1,150	920	780	1,519
Jun	1,150	920	780	1,447
Jul	1,200	980	800	1,455
Aug	1,280	1,020	890	1,463
Sep	1,280	1,020	890	1,492
Oct	1,325	1,075	925	1,508
Nov	1,295	1,035	875	1,504
Dec	1,295	1,065	895	1,502
2000 Jan	1,305	1,095	905	1,526
Feb	1,320	1,095	935	1,519
Mar	1,340	1,115	935	1,514
Apr	1,310	1,070	900	1,526
May	1,375	1,125	935	1,580
Jun	1,410	1,150	940	1,566
Jul	1,450	1,160	970	1,596
Aug	1,490	1,210	1,010	1,676
Sep	1,536	1,288	1,068	1,771
Oct	1,560	1,369	1,179	1,827
Nov	1,565	1,369	1,179	1,850
Dec	1,528	1,353	1,204	1,784
2001 Jan	1,481	1,293	1,172	1,830
Feb	1,470	1,270	1,160	1,743
Mar	1,470	1,270	1,160	1,754
Apr	1,470	1,270	1,160	1,774
May	1,413	1,221	1,160	1,783
Jun	1,520	1,300	1,160	1,768
Jul	1,520	1,300	1,160	1,726
Aug	1,520	1,300	1,160	1,751
Sep	1,520	1,300	1,160	1,753
Oct	1,520	1,300	1,160	1,738
Nov	1,508	1,288	1,148	1,736
Dec	1,480	1,260	1,120	1,713
2002 Jan	1,480	1,260	1,120	1,739
Feb	1,480	1,260	1,120	1,741
Mar	1,480	1,260	1,120	1,771
Apr	1,480	1,260	1,120	1,792
May	1,480	1,260	1,120	1,798
Jun	1,503	1,269	1,129	1,797
Jul	1,530	1,280	1,140	1,803
Aug	1,530	1,280	1,140	1,806
Sep	1,530	1,280	1,140	1,813
Oct	1,530	1,280	1,140	1,827
Nov	1,530	1,280	1,140	1,832
Dec	1,530	1,280	1,140	1,845
2003 Jan	1,580	1,330	1,190	1,868
Feb	1,648	1,398	1,243	1,884
Mar	1,722	1,477	1,302	1,944
Apr	1,740	1,500	1,320	1,977
May	1,725	1,485	1,305	1,998
Jun	1,750	1,498	1,300	1,998
Jul	1,770	1,510	1,300	1,995
Aug	1,749	1,496	1,286	1,998
Sep	1,740	1,490	1,280	1,994
Oct	1,740	1,490	1,280	1,991
Nov	1,707	1,457	1,247	1,974
Dec	1,640	1,390	1,180	1,943
2004 Jan	1,698	1,448	1,238	1,938
Feb	1,790	1,540	1,330	1,865
Mar	1,800	1,550	1,330	1,927
Apr	1,825	1,575	1,335	1,919
May	1,878	1,600	1,360	1,856
Jun	1,890	1,600	1,360	1,819

Source: Bank of Uganda



Appendix 38: Summery Sales of Petroleum Products (cubic metres)

	PMS	RMS	AGO	JET	BIK	FO	IDO	LPG	Total
1975	100,024	41,965	73,122	40,423	56,792	52,157	6,636	2,514	373,633
1976	86,464	32,793	63,728	25,629	69,205	58,415	4,877	2,450	343,561
1977	96,626	33,334	69,623	24,068	72,314	66,496	4,726	1,943	369,130
1978	98,698	32,706	73,264	12,269	62,906	42,876	4,093	1,349	328,161
1979	64,894	32,701	60,259	6,634	47,500	21,869	3,360	733	237,950
1980	95,848	29,669	93,510	16,546	70,960	26,784	1,645	828	335,790
1981	44,737	10,540	51,924	17,617	26,847	20,113	1,580	619	173,977
1982	56,508	7,124	31,749	23,587	38,898	20,454	1,381	457	180,158
1983	60,039	3,319	65,800	22,300	39,100	23,600	1,300	500	215,958
1984	76,708	1,458	69,300	19,000	39,100	15,400	1,700	500	223,166
1985	86,384	1,077	75,000	21,700	43,600	11,700	700	500	240,661
1986	95,756	625	79,546	22,736	43,189	13,357	418	508	256,135
1987	101,540	...	85,238	30,000	41,022	18,200	580	850	277,430
1988	112,566	...	97,242	21,653	43,544	15,310	222	779	291,316
1989	123,673	...	108,536	31,946	47,220	13,156	136	562	325,229
1990	120,408	...	100,739	16,796	42,360	15,823	612	488	297,226
1991	109,512	...	92,672	17,547	34,562	12,809	...	567	267,669
1992	107,753	...	85,108	19,907	29,653	13,039	...	1,026	256,486
1993	115,560	...	83,245	34,073	29,452	15,699	...	662	278,691
1994	139,435	...	99,626	42,948	33,462	16,211	159	693	332,534
1995	166,047	...	120,395	30,039	43,069	24,566	...	993	385,109
1996	181,778	...	124,347	40,674	46,362	29,518	...	...	422,679
1997	177,044	...	125,621	44,643	48,576	34,124	...	1,629	431,637
1998	191,977	...	150,908	60,708	60,062	39,384	...	1,841	504,880
1999	201,127	179,215	51,072	60,448	40,782	...	...	2,200	534,844
2000	191,116	187,453	41,530	56,050	36,501	...	...	2,390	527,055
2001	199,956	...	207,183	43,916	55,504	38,591	...	...	548,042
2002	203,194	...	226,302	40,248	59,871	38,214	...	...	571,141
2003	100,968	...	121,914	28,096	24,593	22,515	...	...	299,826

Source: Ministry of Water, Lands and Environment



Appendix 39: Capacity, Generation and Sales

	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Production												
Installed capacity	155.4	154.0	165.7	171.0	180.4	183.0	183.0	183.0	183.0	263.0	263.0	263.0
Owen Falls	150.0	150.0	162.0	168.0	177.0	180.0	180.0	180.0	180.0	260.0	260.0	260.0
Thermal	4.4	3.0	2.7	2.0	2.4	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Other	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Units Generated (GWh)												
Hydro-electric	783.8	993.3	976.5	1,016.8	1,056.3	1,129.0	1,217.3	1,232.4	1,340.5	1,533.5	1,575.4	1,700.5
Thermal	1.2	1.0	1.4	1.1	1.1	1.1	1.2	1.2	1.2	1.2	1.2	1.2
Total units generated	785.0	994.3	977.9	1,017.9	1,057.4	1,130.1	1,218.5	1,233.6	1,341.7	1,534.7	1,576.6	1,701.7
Transit & distribution losses 1/	115.4	225.7	238.4	268.2	342.3	296.5	340.1	...	...	...	...	...
Units Accounted for by Consumption	669.6	768.6	739.5	749.7	715.1	833.6	878.4	...	...	...	...	...
Maximum demand (MW) 2/												
System maximum demand	136.2	151.0	157.2	161.4	173.6	177.0	178.6	179.8	179.8	246.0	327.5	302.8
Kenya maximum demand	85.6	81.2	70.9	77.2	50.5	45.1	...	...	...	...	...	...
Tanzania maximum demand	...	...	1.8	8.0	4.0	5.0	...	...	...	...	...	...
Rwanda maximum demand	...	...	...	...	...	1.0	...	...	...	...	...	...
Annual load factor (%) 3/	65.8	75.2	71.0	72.0	70.0	71.0	77.9	78.3	58.9	67.4	71.4	80.8
Energy supply (GWh)												
Hydro electric	785.3	998.0	980.7	1,027.2	1,070.9	1,138.9	...	...	...	...	...	...
Thermal	781.5	992.6	976.5	1,016.8	1,056.3	1,129.0	...	...	...	...	...	...
Imports	1.1	1.0	1.4	1.4	1.5	...	...	...	...	...	...	...
Mubuku	2.7	4.4	2.8	9.0	13.1	9.9	...	...	...	...	...	...
Rwanda	2.7	4.4	2.8	9.0	13.1	9.6	...	...	...	...	...	...
	...	...	...	...	...	0.3	...	...	...	...	...	...
Sales												
Energy sold (GWh)	669.4	768.6	739.1	739.7	716.7	826.2	870.1	864.8	753.1	893.4	...	...
Uganda	525.4	484.8	476.4	487.5	522.4	675.1	700.1	706.5	579.2	642.4	...	...
Domestic	370.1	263.3	272.5	285.5	265.4	365.5	344.0	317.0	307.1	312.0	...	...
Commercial	31.8	32.7	29.8	38.6	47.0	61.8	...	...	107.0	122.0	...	...
Industrial	63.0	109.5	96.7	81.8	115.3	143.6	159.0	154.0	162.7	206.0	...	...
General	54.5	72.6	71.0	76.9	92.6	102.1	195.0	234.0	...	...	...	...
Street Lighting	6.0	6.7	6.4	4.7	2.1	2.1	2.1	1.5	2.4	2.4	...	...
Exports (Bulk Supply)	144.0	283.8	262.7	252.2	194.3	151.1	170.0	158.3	173.9	251.0	261.8	...
Kenya	144.0	283.8	261.8	237.1	175.8	131.2	148.0	136.0	152.8	229.0	238.4	...
Tanzania	...	...	0.9	15.1	18.5	19.0	20.0	21.0	21.1	22.0	23.4	...
Rwanda	...	...	...	...	...	0.9	2.0	1.3	0.0	0.0	0.0	...
System losses (GWh)	128.5	224.5	236.8	276.8	340.4	300.8	...	...	...	...	...	...
Losses as a % of generated	19.6	31.7	33.2	36.2	39.5	30.8	...	...	...	...	...	...
Revenue												
Energy sold (Ug. Shs. million)	10,241	24,398	35,996	48,504	50,411	49,176	79,100	85,236	60,916	71,888	...	...
Uganda	8,962	22,633	35,015	46,313	48,030	44,900	66,719	70,603	41,662	41,471	...	...
Domestic	4,765	12,259	17,966	24,014	24,507	27,670	27,657	26,721	18,766	23,609	...	...
Commercial	1,775	3,986	7,195	8,383	6,347	16,658	23,094	28,805	10,414	14,144	...	...
Industrial	1,405	4,327	7,117	9,656	8,856	348	15,736	14,907	12,251	3,517	...	...
General	958	1,741	2,166	3,662	8,002	...	...	...	...	...	...	...
Street lighting	59	320	571	598	318	224	232	170	231	201	...	...
Exports (bulk supply)	1,279	1,765	981	2,191	2,381	4,276	12,381	14,633	19,254	30,417	...	...
Kenya	1,279	1,765	885	658	541	2,144	10,097	11,790	16,616	27,850	...	...
Tanzania	...	...	96	1,533	1,840	2,052	2,156	2,711	2,633	2,564	...	...
Rwanda	...	...	...	...	...	80	128	132	5	3	...	...

- Notes:
- 1/ Including units unaccounted for by consumption.
 - 2/ Maximum demand (M.W) means the largest demand for electricity measured in kilowatts (K.W) or kilo volt amperes (K.V.A) at any moment in a given period.
 - 3/ Load Factor: This is the ratio of units in Kilowatt Hours (K.W.H) produced if the maximum demand had been maintained throughout the period:

$$\text{Annual Load Factor (\%)} = \frac{\text{Units generated or produced} * 100}{(\text{Hours in the year}) * (\text{Maximum demand})}$$

Source: Uganda Electricity Board and Associated Independent companies



Appendix 40: Production of Selected Manufactured commodities

	Unit	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Beer	(000 litres)	16,881	21,493	19,516	19,421	19,529	18,718	23,882	30,822	51,238	64,158	89,639	110,469	117,845	10,087	107,914	98,911
Uganda Waragi	(000 litres)	159	157	364	376	369	331	280	469	535	560	606	210	250	350	990	1,984
Soft Drinks	(000 litres)	7,865	15,733	17,898	24,273	25,982	21,768	26,899	41,001	56,537	70,222	65,364	68,699	80,836	72,623	81,680	95,598
Cigarettes	(million sticks)	1,435	1,638	1,586	1,290	1,688	1,575	1,412	1,459	1,576	1,699	1,844	1,846	1,602	1,344	1,220	1,092
Cotton & Rayon	(000 sq. mtrs)	10,246	11,472	11,755	8,152	8,904	9,649	7,482	4,270	2,608	2,410	8,825	5,206	6,860	4,743	5,603	7,077
Number Plates	(pairs)	...	...	...	7,191	21,309	3,917	10,603	14,900	20,548	21,074	38,523	13,381	19,059	16,529	27,234	...
Blankets	(000 pieces)	147	49	87	69	38	50	81	118	177	...	28	177	215	96	66	...
Bed Sheets	(pairs)	...	...	...	...	...	...	...	...	...	...	371,898	525,218	535,720	592,547	521,795	568,928
Garments	(000 dozens)	...	...	...	...	...	...	...	...	...	...	1,260	681	219	13,577	43,024	42,235
Foam Mattresses	(tonnes)	240	630	905	849	695	719	640	726	1,625	2,928	3,086	3,708	3,548	3,548	3,083	3,540
Sugar	(tonnes)	...	7,534	15,859	28,913	42,455	53,539	49,263	59,175	70,112	96,569	103,213	102,667	126,936	222,888	130,326	167,729
Soap	(tonnes)	15,772	18,452	27,110	30,552	33,284	38,661	47,588	48,539	55,402	58,305	62,002	72,827	83,776	75,204	90,807	92,247
Corrugated Iron Sheets	(tonnes)	642	723	1,377	1,254	2,296	5,782	14,331	25,134	31,782	29,883	29,710	28,418	39,414	34,690	58,054	47,247
Miscellaneous Metal Products	(tonnes)	...	...	...	...	...	...	...	...	...	...	14,042	16,089	17,419	n.a	18,970	...
Cement	(tonnes)	15,904	14,960	17,378	26,920	27,138	37,881	51,996	45,227	88,767	175,046	289,560	321,329	347,274	367,470	431,084	505,959
Clay Bricks, Tiles etc.	(tonnes)	...	...	...	14,519	13,801	15,396	18,055	18,356	15,817	21,246	17,427	32,054	32,504	20,744	29,570	34,639
Cement Blocks & Tiles	(tonnes)	...	...	...	10,548	15,332	7,755	8,585	18,957	10,293	10,251	6,086	4,783	6,991	9,986	6,352	7,762
Paint	(000 Litres)	170	176	315	148	331	923	1,221	1,502	2,008	1,932	2,355	2,446	2,450	2,792	2,424	2,384
Edible Oil and Fat	(tonnes)	26	56	92	79	47	628	1,654	6,265	12,821	10,204	27,532	28,276	40,516	42,834	47,970	50,604
Animal Feeds	(tonnes)	12,200	10,996	15,952	15,033	21,528	20,005	18,222	35,448	60,142	49,221	25,443	17,164	17,474	31,687	13,106	30,455
Footwear	(000 pairs)	664	363	359	319	221	418	326	600	1,240	1,830	1,274	1,471	1,725	1,696	1,979	978
Fishnets	(000 pieces)	47	52	55	62	35	63	106	145	158	199	239	288	244	311	431	376
Motor Batteries	(pieces)	4,738	5,510	12,712	19,386	27,303	33,078	43,918	47,442	44,572	61,201	56,434	64,243	63,214	61,068	67,221	69,358
Processed Milk	(000 litres)	16,898	20,885	17,112	17,319	21,199	22,705	25,880	27,671	23,601	26,894	27,468	32,405	26,494	19,303	18,322	17,522
Wheat Flour	(tonnes)	9,429	12,233	13,871	12,865	11,247	12,222	10,090	8,274	7,372	5,914	804	18,038	14,454	12,187	51,992	52,726
Electricity	(million Kwh)	611	567	661	738	785	994	978	1,018	1,057	1,130	1,219	1,234	1,342	1,639	...	...

Source: Uganda Bureau of Statistic



Appendix 41: Indicative Commodity Prices (shs per kilogram).

	Jun91	Jun92	Jun93	Jun94	Jun95	Jun96	Jun97	Jun98	Jun99	Jun00	Sep00	Dec00	Mar01	Jun01	Sep01	Dec01	Mar02	Jun02	Sep02	Dec02	Mar03	Jun03	Sep03	Dec03	Mar04	Jun04	
Coffee																											
Robusta (Kiboko)	120	210	300	650	900	550	625	725	550	375	425	275	325	265	215	165	240	310	300	475	600	500	528	500	575	500	
Robusta (F.A.Q.)	...	...	...	...	1,800	...	1,450	1,500	1,450	950	975	725	765	650	525	425	675	690	595	1,100	1,180	1,000	1,150	1,065	1,350	1,100	
Arabica (Parchment)	350	471	600	820	1,550	1,300	1,850	1,890	1,650	1,400	1,300	1,500	1,300	1,200	850	850	1,150	965	1,040	1,250	1,150	1,250	1,275	1,350	1,600	1,400	
Cotton																											
A.R.(Seed Cotton)	220	340	250	280	300	300	320	320	320	320	320	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350
B.R.	110	170	125	140	150	150	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160
Tea (Green Leaf)																											
	45	80	100	100	100	100	100	100	112	112	112	112	112	112	112	112	112	112	112	112	112	112	112	112	112	112	112
Tobacco (Unprocessed)																											
Flue Cured	851	810	1,110	1,100	638	913	975	975	975	975	975	975	975	975	975	975	975	975	975	975	975	975	975	975	975	975	975
Fire Cured	540	540	760	960	730	830	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930
Cocoa																											
Wet Beans	150	150	600	400	500	500	500	500	500	500	500	500	500	500	500	500	500	500	500	1,750	2,800	2,800	2,800	2,800	2,800	2,800	2,800

Source: Uganda Coffee Development Authority, Uganda Tea Authority, Uganda Cotton Organisation, B.A.T (1984) Ltd; and Bank of Uganda



Appendix 42: Production of Major Agricultural Crops ('000 tones)

Item	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Export Crops																	
Coffee	167.07	151.16	169.04	128.75	147.37	110.33	144.55	198.37	181.35	287.93	219.62	205.06	236.25	154.70	197.41	201.59	146.30
Robusta	158.00	141.72	161.15	116.81	133.47	95.17	122.18	166.81	159.61	260.77	194.91	180.68	208.76	130.36	166.73	n.a	n.a
Arabica	9.07	9.44	7.89	11.94	13.90	15.16	22.37	31.56	21.74	27.16	24.72	24.37	27.48	24.34	30.68	n.a	n.a
Cotton (Lint)	2.75	1.84	3.21	4.25	8.21	6.82	...	...	...	...	18.98	4.92	14.48	21.29	12.48	12.32	16.76
Tobacco	1.21	2.64	3.46	3.32	5.14	6.69	5.18	6.55	6.85	6.35	8.20	11.33	20.86	22.84	14.59	23.27	24.67
Tea	3.51	3.51	4.66	6.70	8.88	9.50	12.32	13.46	12.69	17.42	21.08	25.90	24.74	29.24	30.45	30.57	39.41
Sugar (Raw)	...	8	16	29	42	54	49	...	...	...	...	...	...	...	...	...	...
Cocoa	0.1	0.2	0.5	1.4	0.5	0.5	...	...	...	...	...	...	...	...	...	...	...
Food Crops																	
Plantains (Bananas)	7,039	7,293	7,469	7,842	8,080	7,806	8,222	8,500	9,012	9,144	9,303	9,318	8,949	9,428	9,732	9,888	...
Cereals	1,220	1,398	1,637	1,580	1,576	1,743	1,880	1,936	2,030	1,588	1,625	2,085	2,188	2,112	2,309	2,368	...
Maize	357	440	624	602	567	657	804	850	913	759	740	924	1,053	1,096	1,174	1,217	...
Finger Millet	518	578	610	560	576	634	610	610	632	440	502	642	606	534	584	590	...
Sorghum	315	344	347	360	363	375	383	390	399	298	294	420	413	361	423	427	...
Rice	20	23	45	54	61	68	74	77	77	82	80	90	95	109	114	120	...
Wheat	10	13	11	4	9	9	9	9	9	9	9	9	11	12	14	14	...
Root Crops	4,960	5,177	5,474	5,337	5,268	5,069	5,417	4,577	4,849	4,111	4,545	5,764	7,678	7,842	8,288	8,511	...
Sweet Potatoes	1,674	1,716	1,658	1,693	1,785	1,905	1,958	2,129	2,223	1,548	1,894	2,176	2,354	2,398	2,515	2,592	...
Irish Potatoes	185	190	248	224	254	268	320	368	402	318	360	384	449	478	508	546	...
Cassava	3,101	3,271	3,568	3,420	3,229	2,896	3,139	2,080	2,224	2,245	2,291	3,204	4,875	4,966	5,265	5,373	...
Oil Seeds	163	184	206	257	264	272	295	287	294	285	248	309	331	364	392	420	...
Sim-sim	33	36	45	62	61	72	75	70	71	73	73	77	93	97	102	106	...
Groundnuts	122	134	145	158	144	147	153	142	144	125	91	140	137	139	146	148	...
Soyabeans	8	14	16	37	59	53	67	75	79	87	84	92	101	128	144	166	...
Pulses	374	430	485	498	488	509	540	495	509	356	346	517	558	574	665	692	...
Beans (Mixed)	299	338	389	396	383	402	428	378	390	234	221	387	401	420	511	535	...
Field Peas	11	12	12	12	15	15	16	17	16	17	20	19	19	16	15	16	...
Pigeon Peas	27	42	46	51	50	51	53	55	58	58	59	61	76	78	80	82	...
Cow Peas	37	38	38	39	40	41	43	45	45	47	46	50	62	60	59	59	...

Source: Ministry of Agriculture, animal Industry and Fisheries