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# BANK OF UGANDA

## *ANNUAL REPORT* *2004/2005*

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## ABBREVIATIONS

ADB	African Development Bank
AFRACA	African Rural and Agricultural Credit Association
AML	Anti-Money Laundering
ATM	Automated Teller Machine
Bank	The Central Bank of Uganda
BOP	Balance of Payments
BOU	Bank of Uganda
BSA	Bank Supervision Application
CDS	Central Depository System
CRB	Credit Reference Bureau
DPF	Deposit Protection Fund
ECCGS	Export Credit Guarantee Scheme
ECS	Electronic Cheque Clearing System
EFT	Electronic Funds Transfer
EFTPOS	Electronic Fund Transfer at Point of Sale
EIB	European Investment Bank
EPT	Export Promotion Fund
ERS	Export Refinance Scheme
ERTRF	Energy for Rural Transformation Refinance Scheme
ESAF	Enhanced Structural Adjustment Fund
ExCOM	Executive Committee
FDEI	Foreign Direct Equity Investment
FDI	Foreign Direct Investment
FERMS	Foreign Exchange Reserve Management System
FIS	Financial Institutions Statute
FPC	Foreign Private Capital
FY	Financial Year
GDP	Gross Domestic Product



GDS	Gross Domestic Savings
HIPC	Highly Indebted Poor Countries
IAS	International Accounting Standards
ICO	Institute de Credito (Spain)
IDA	International Development Agency
IFAD	International Fund for Agricultural Development
IFEM	Inter-bank Foreign Exchange Market
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
IT	Information Technology
LAN	Local Area Network
MCP	Management Committee on Projects
MCPC	Monetary Credit and Policy Committee
MDI	Microfinance Deposit taking Institutions
MIS	Management Information System
MOFPED	Ministry of Finance, Planning and Economic Development
NEER	Nominal Effective Exchange Rate
NGO's	Non Government Organisations
NPSS	National Payment System Secretariat
NPV	Net Present Value
NSSF	National Social Security Fund
NTE	Non-Traditional Exports
OMO	Open Market Operations
OPEC	Organisation of Petroleum Exporting Countries
PSIS	Private Sector Investment Survey
PSPC	Payment System Policy Committee
PTA	Preferential Trade Area
RBS	Retirement Benefits Scheme
Repo	Repurchase Agreement
RTGS	Real Time Gross Settlement System





SDR	Special Drawing Rights
SPF	Special Provident Fund
SWIFT	Society for Worldwide Inter-bank Financial Telecommunication
UBOS	Uganda Bureau of Statistics
UCBL	Uganda Commercial Bank Ltd. (defunct)
UIA	Uganda Investment Authority
UNIS	Uganda National Inter-bank Settlement System



## LETTER OF TRANSMITTAL

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

*Hon. Minister,*

### ***Annual Report 2004/2005***

*I am pleased to submit to you the Annual Report of the Bank of Uganda for the year 2004/2005. In accordance with the Bank of Uganda Act, Cap 51, Laws of Uganda, I am presenting to you the Bank's Annual Report for the Financial year 2004/2005 as well as the audited accounts for the year ended June 2005.*

*Yours faithfully,*

*E. Tumusiime-Mutebile  
**Governor.***



# **PART 1**

## **ECONOMIC AND FINANCIAL DEVELOPMENTS**



## EXECUTIVE SUMMARY

### Monetary and Financial operations and policies

Monetary and financial sector policies remained focused at maintaining low and stable inflation, stable interest rates and attainment of a competitive exchange rate in line with the country's medium term economic framework. Annual underlying inflation averaged 4.7 percent over the year 2004/05, well within the government's 5.0 percent target. The monetary authority maintained a cautious monetary policy stance to contain inflationary pressures arising from liquidity injections from fiscal operations as well as from exogenous factors like drought and increasing international oil prices.

Broad Money (M3) grew by 8.7 percent in 2004/05 compared to 9.0 percent growth recorded in 2003/04. The slight deceleration in the rate of growth of M3 is attributed to the 1.4 per cent decline in resident's foreign denominated deposits in 2004/05 compared to an increase of 6.1 percent in 2003/04. The decline was partly on account of both the exchange rate appreciation effects and the slower build-up of these deposits in dollar terms compared to developments in 2003/04. As the shilling appreciates against foreign currencies, the nominal shilling return on holding these currencies for a given interest rate reduces leading to a slower build of foreign currency deposits. Currency in circulation grew by 14.3 percent, demand deposits by 7.0 per cent and time and savings deposits by 17.1 percent. Broad Money (M2A) grew by 12.1 per cent over the same period.

Domestic interest rates were much more stable during 2004/05 when compared to the last two financial years. This was mainly attributed to the continued use of the long-term government bonds introduced in January 2004 and improved liquidity forecasting framework. The bonds eased the pressure on treasury bills particularly in the first half of the financial year when the appreciation pressures in the foreign exchange market constrained the monetary authority's ability to sell foreign exchange for liquidity sterilisation.

The exchange rate appreciated during 2004/05 driven in part by the weakening of the United States Dollar (US\$) vis-à-vis other currencies as well as strong performance of the balance of payments. Net sales of foreign exchange by the Bank of Uganda for both the sterilisation and intervention operations declined by 50 per cent from US\$ 140.9 million in 2003/04 to US\$ 69.3 million during 2004/05. The nominal effective exchange rate (NEER) appreciated by 7.9 percent in 2004/05 compared to a depreciation of 1.0 percent for the previous period. Similarly, the real effective exchange rate (REER) appreciated by 3.6 percent in 2004/05 compared to a depreciation of 1.2 percent in 2003/04.



## Fiscal operations and policies

In 2004/05, the fiscal position of government reflected an improvement in the budget deficit excluding grants from 10.7 percent of GDP in 2003/04 to 8.7 percent of GDP. This was on account of the continued fiscal consolidation during the period under review relative to the previous period. On a commitment basis, the deficit was estimated at 0.3 percent of GDP in 2005/04 down from 1.3 percent of GDP in 2003/04. Consistent with the national debt strategy, the deficit was mainly financed by net external inflows in form of loans with an enhanced grant element.

## External sector developments

The overall balance of payments was a surplus of US\$ 234.3 million, which was largely on account of the surplus of US\$ 368.0 million in the capital and financial account, which more than offset the deficit of US\$ 133.7 in the current account. The current account deficit excluding official grants, decreased from 11.4 percent of GDP in 2003/04 to 10.6 percent of GDP in 2004/05 mainly on account of improvement in current transfer inflows despite a deterioration of the goods, services and income accounts. In absolute terms, the trade deficit deteriorated to US\$ 821.5 million in 2004/05, from US\$ 663.2 million during the previous year, largely as a result of the rise in the private sector imports.

Uganda's external debt stock reduced from US\$ 4,464.9 million recorded as at end June 2004 to US\$ 4,416.3 million as at end June 2005 on account of additional debt relief provided by some non Paris Club bilateral creditors. As a ratio of GDP, the debt stock was equivalent to 50.7 percent, down from 65.6 percent registered in June 2004.

## Real Sector developments

Real Gross Domestic Product (GDP) grew by 5.9 percent in the financial 2004/05 mainly on account of the strong performance of the industrial sector and recovery in the agricultural sector. The growth in GDP during the financial year under review was slightly lower than that in the previous year recorded at about 6.0 percent. The share of the agricultural sector in GDP continued to decline consistently from 35.7 percent in 2002/03 to 33.0 percent in 2004/05, partly due to a slower growth of the sector relative to other sectors and partly as a consequence of the process of structural transformation. Overall, agricultural output grew in 2004/05 by 3.0 percent compared to 1.6 percent in the previous year mainly on account of cash crops that grew by 4.8 percent. The manufacturing sector grew by 6.7 percent in 2004/05, higher than the growth rate in the previous year of 4.5 percent. The strong growth was on account of sugar processing, edible oil, soft drinks, cotton ginning, cement and roofing products. The informal manufacturing sector grew by 2.3



percent during the period under review and recorded a decrease of 0.1 percent from the growth rate in the previous year. Overall, the per capita GDP growth rate remained at about 2.2 percent in 2004/05 as was the case in 2003/04.





# 1. MONETARY POLICY OBJECTIVES, CHALLENGES AND ACTIONS

## 1.1. Monetary Policy and Macroeconomic Objectives

During the fiscal year 2004/05, monetary policy was focused at maintaining low and stable inflation averaging 6.0 percent and 4.0 percent for annual headline and underlying inflation, respectively. This was aimed at creating a conducive environment for the achievement of a real GDP growth rate of 6.0 percent. On assumption of a modest decline in velocity largely reflecting the public's confidence in the financial system, the broad money aggregates M2 and M3 were projected to grow at 14.8 percent per annum respectively, base money at about 13.4 percent per annum and private sector credit at 16.0 percent.

Consistent with the above, the overall fiscal deficit, excluding grants, was expected to increase moderately to 10.9 percent of GDP in 2004/05 from 10.7 in 2003/04. The domestic balance was projected to contract by the same magnitude. In order to achieve the anticipated reduction in the fiscal deficit, revenue-enhancing measures- particularly the reforms in the Uganda Revenue Authority were expected to be implemented.

The external current account deficit was however expected to widen to 12.7 percent of GDP on account of a strong increase in imports, while the international reserves were anticipated to remain at a comfortable level of 6.6 months of import cover for goods and services. Furthermore, to reduce the country's external vulnerability, the government continued to support the growth of exports under the export promotion strategy. This was expected to support strong recovery in the export sector. The debt sustainability position was expected to improve through the pursuance of efficient debt management principles and restricting any 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.

As a result of exogenous developments including drought and higher international prices, the GDP growth and inflation rates for 2004/5 were revised in April 2005. GDP growth was revised downwards from 6.0 to 5.7 per cent, average headline inflation upwards from 6.0 to 8.2 per cent and underlying inflation rate from an average of 4.0 per cent to 4.5.





## 1.2 Challenges facing monetary policy implementation

The main challenge to the conduct of monetary policy continued to be the management of excess liquidity injections resulting from government expenditure. This was done in a cautious manner through an appropriate instrument mix that minimized instability in the financial markets. In addition, a cautious monetary policy stance was maintained to contain inflationary pressures arising from increases in prices of both food and non-food items. Annual headline inflation averaged 8.0 percent during financial year 2004/05 marginally lower than the than the revised program target of 8.2 percent. Headline inflation increased persistently from 1.8 percent in July 2004, peaked at 12.6 percent in April 2005 and then trended downwards towards the end of the financial year registering 10.7 percent in June 2005. Annual underlying inflation averaged 4.7 percent over the 2004/05 period, slightly below the government's 5.0 percent target but marginally higher than the revised projection of 4.5 per cent. Over the year, underlying inflation rose steadily from 3.0 percent in July 2004 to 6.6 percent in June 2005.

During 2004/05, interest rates on treasury bills were much more stable compared to the last two financial years. This was largely attributed to the improved liquidity forecasting and the continued use of the long-term government bonds introduced in January 2004. In July 2004, BOU improved the liquidity-forecasting framework by adopting daily forecasts on five-day rolling basis to guide monetary operations. These forecasts have played a great role in improving liquidity management and subsequently promoting market stability. Long-term securities eased the pressure on treasury bills particularly when the appreciation pressures in the foreign exchange market in the first half of the financial year constrained the BOU's ability to sell foreign exchange for liquidity sterilisation. The strong appreciation of the shilling against the US\$ during the first half of 2004/05, prompted the monetary authority to temporarily suspend daily sales of foreign exchange for liquidity sterilisation. However, there was occasional intervention in the IFEM on the buy side to smooth movements in the foreign exchange rate. The purchases of foreign exchange injected liquidity, which combined with liquidity injections associated with fiscal operations posed a challenge to monetary policy management. In order to avoid the rapid expansion of base money, the burden of liquidity management was borne by government-securities, contributing to a modest upward movement in the interest rates during the financial year 2004/05. Despite the above challenges, the Bank achieved the daily average base money targets as required in the monetary program for the financial year under review.



### 1.3. Instruments and market actions

The main instruments used for the sterilization of liquidity were the sales of Treasury bills and Treasury bonds in the domestic financial market. This was supplemented by net sales of foreign exchange to the Inter-bank Foreign Exchange Market (IFEM). However, sterilisation using the sale of foreign exchange was suspended at the beginning of the first period of the financial year and resumed in the last period when there were opportunities to sell foreign exchange to the IFEM. In addition, Repurchase Agreements (REPOs) were actively used to manage intra-auction liquidity variations. During the financial year, efforts to promote the development of the financial markets and to improve the efficiency of the instruments were made. Effective March 2005, the issuance of the 273-day paper was discontinued in order to enhance the capacity of the Treasury bill to handle more and larger trades. The issue of 2-year and 3-year Treasury bonds continued. Furthermore, the 2-year, 3-year 5-year bonds were reopened to provide an avenue to stimulate the development of the securities market, while at the same time, locking up liquidity for longer periods.

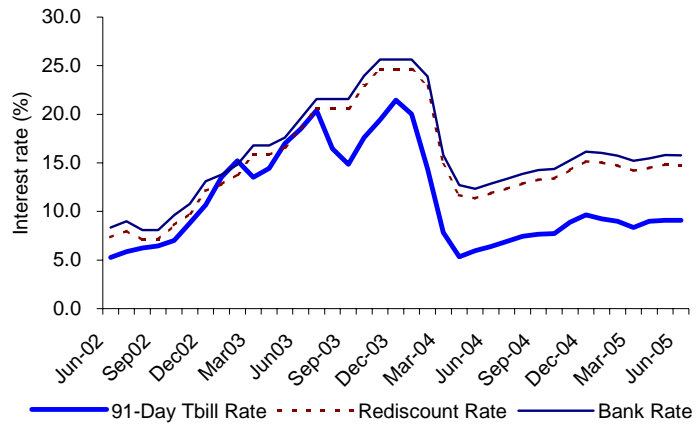
The modalities of the domestic financial markets continued to be market-determined under the primary dealership program. A fair and transparent ranking system was introduced through the issuance of a guide on market performance for the primary dealers, which was aimed at motivating primary dealers in the key areas of primary and secondary markets of government securities, and promoting investors' awareness of the role of primary dealers. The central bank maintained the bi-monthly auction for the Treasury bills and began announcing a range for the intended auction sizes at the beginning of each period in order to guide markets' participant's investment decisions and expectations on the monetary policy stance.

The policy rates were also used to supplement the quantity-based instruments. On account of the trends in the Treasury bill market, the policy rates on average trended upward throughout the financial year. The Rediscount rate and Bank rate rose from 11.9 percent and 12.9 percent, respectively in June 2004 to 14.8 percent and 15.8 percent, by end-June 2005. During the financial year, a uniform statutory reserve requirement ratio of 9.5 percent on the deposit liabilities of commercial banks was introduced to replace the differentiated system with a higher ratio of 10.0 percent on demand deposits than the 9.0 percent on time and savings deposits. Figure 1 portrays the trend of the indicative policy rates.

A flexible exchange rate policy was maintained by the monetary authority, which mainly intervened in the foreign exchange market to stem instability in the market and smooth exchange rate movements. Daily sales of foreign exchange to sterilise excess liquidity that had been suspended in August 2004 were resumed towards the close of the year in May 2005. A total of US\$ 69.3 million was sold under both sterilization and the intervention strategies in 2004/05. This was lower than sales of US\$ 140.9 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**

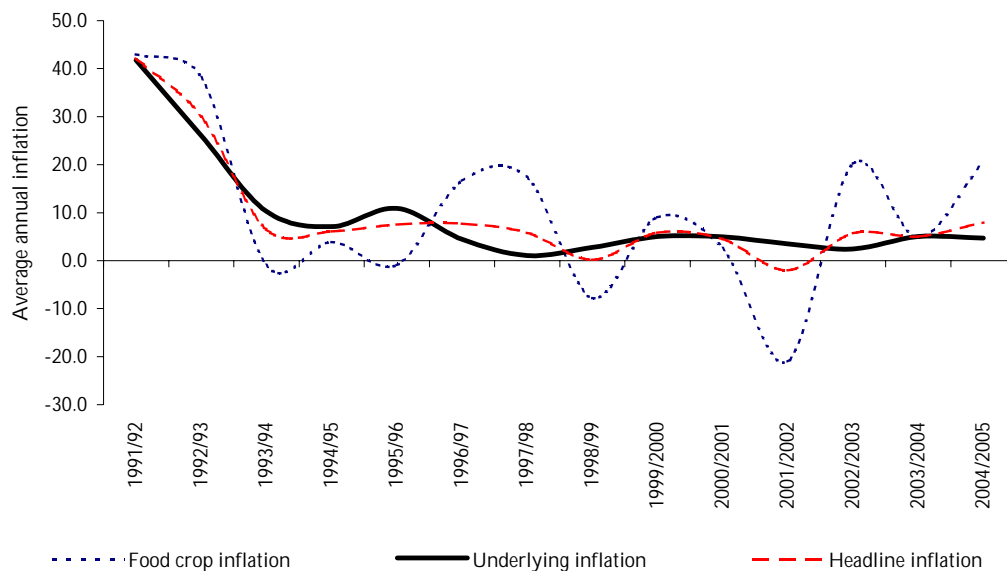
Annual underlying inflation as measured by the Uganda Bureau of Statistics during the financial year 2004/05 averaged 4.7 percent, well within the government's 5.0 percent target. Over the year, underlying inflation rose steadily from 3.0 percent in July 2004 to 6.6 percent in June 2005. Cautious monetary policy supported by prudent fiscal policy and a commitment to macroeconomic stability helped maintain average underlying inflation below the 5.0 percent level. Price stability was achieved against significant upward inflationary pressures arising mainly from higher food crop prices and increases in energy prices.

Annual headline inflation averaged 8.0 percent during financial year 2004/05 higher than 5.0 percent recorded in 2003/04. Headline inflation increased from 1.8 percent in July 2004, peaked at 12.6 percent in April 2005 and then trended downwards towards the end of the financial year registering 10.7 percent in June 2005. The most dominant upward pressures on headline inflation arose from increased food crop prices and higher energy costs. Poor and erratic rains in the first season of 2004 and prolonged drought at the start of 2005, exacerbated by reduced soil productivity, pests and crop and livestock diseases led to poor food production. Unlike the cash crops, which registered higher real growth in 2004/05 compared to 2003/04, food crop production was flat in 2004/05. Energy prices shot up significantly on the back of higher global demand for oil with the United States and China exerting the greatest demand pressure, against oil processing and refining capacity constraints, among other factors. The shrinkage of hydropower generation exerted direct pressure on utility prices and indirectly through higher production costs during the financial year under review.

Despite the potency of the above exogenous inflationary pressures, the Bank's monetary policy stance succeeded in maintaining annual underlying inflation at an average of no more than 5.0 percent. The monetary stance adopted by the Bank was not accommodative because it aimed at curbing the second round effects of the price shocks, and anchor inflationary expectations downwards. The developments in inflation during the period under review are shown in the Figures 2 and 3 below.

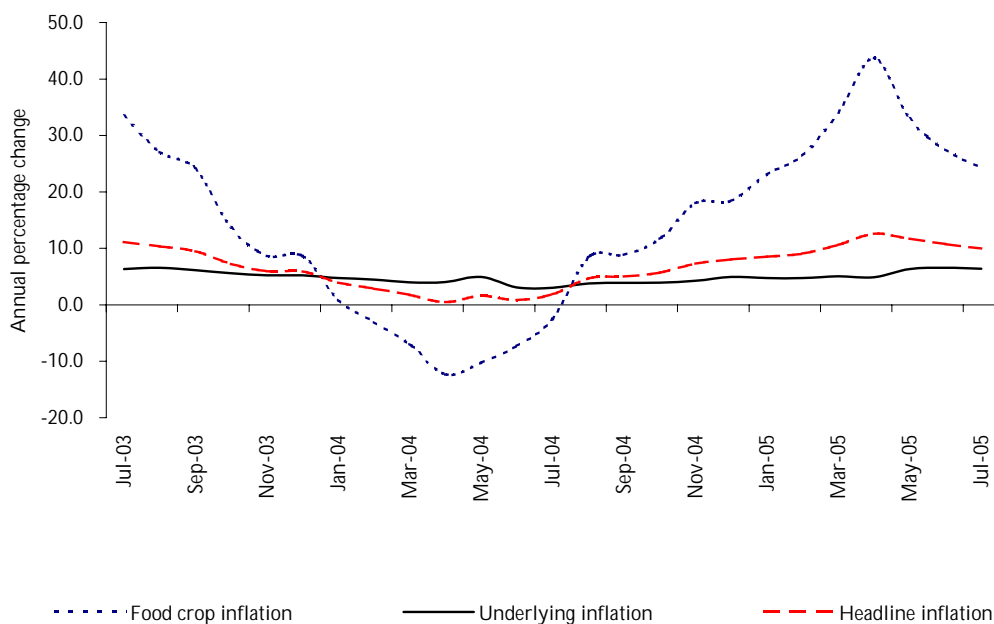


**Figure 2: Annual Inflation (1991/92-2004/05)**



Source: Bank of Uganda and UBOS

**Figure 3: Annual Inflation (July 2003-July 2005)**



Source: Bank of Uganda and UBOS



## 2.2 Domestic money market and interest rates

During the financial year under review, Bank of Uganda policies were aimed at supporting the development of money and financial markets for government securities.

### 2.2.1 The Treasury Bond Primary Market

During 2004/05, government Bonds<sup>1</sup> in the tenors of 2, 3 and 5 years were issued and reopened. The bonds continued to support monetary policy implementation by improving liquidity management and promoting market development. In addition, these securities assisted in providing a framework for pricing of securities in the secondary market.

These bonds also provided an additional saving instrument, and deepened the capital market. The 2-year, 3-year, and 5-year bonds were reopened with the aim of creating more liquid and tradable securities. All the bonds issued were oversubscribed and were listed on the Uganda Securities Exchange. Details of the issues are summarised in Table 1 below.

Total Treasury bond issues in financial year 2004/05 amounted to Shs. 365.0 billion. This represented a substantial increase from Shs. 165.0 billion issued in the previous financial year. Commercial banks, Pension and other financial institutions accounted for 69.0 percent, 20.5 percent, and 3.3 percent respectively, of the outstanding stock of Treasury bonds by end-June 2005.

**Table 1: Treasury bond issues, volumes, prices and yields- to maturity**

Tenor/issue date	FY 2003/2004	FY 2004/2005
Offers (Shs billion)	165.00	365.00
Total Bids (Shs billion)	284.23	501.52
Amount sold shs billion	151.23	365.00
Cover ratio		
5 year	161.14	161.14
3 year	107.08	114.55
2 year	133.34	140.63
WAP <sup>2</sup> per Shs .100		
5 year	85.46	85.46
3 year	90.48	87.08
2 year	92.97	93.83
Yield to maturity %		
5 year	16.04	16.04
3 year	16.80	17.00
2 year	15.11	14.72

Notes: (a) The cover ratio, weighted average price and yield to maturity represent average rates.  
(b) New issues are recorded in 2003/04 while 2004/04 represents re-openings.

Source: Bank of Uganda

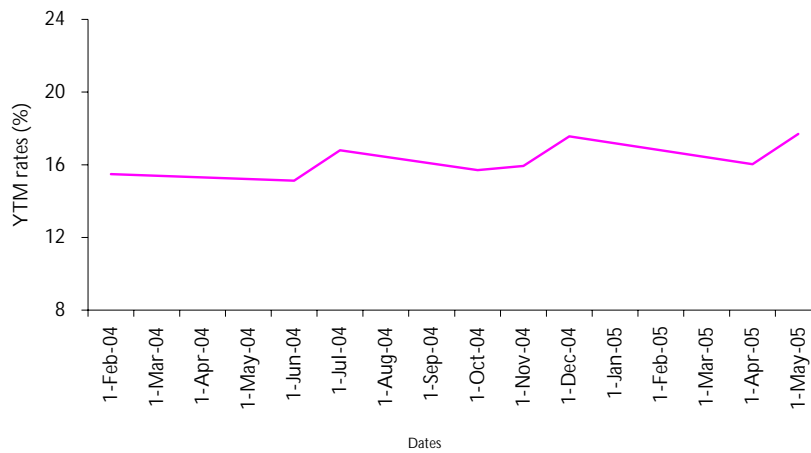
<sup>1</sup> A bond is a market instrument with a maturity term longer than one year

<sup>2</sup>



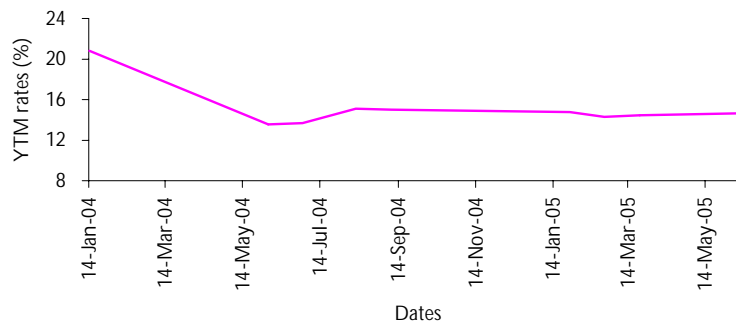
Of the bonds issued, the 2-year and 3-year tenors were the most frequently issued. As depicted in Figure 4 below, yield-to-maturity rates on the 2-year bond came down from 20.8 percent in January 2004 to 13.6 percent in June 2004. This drop was partially reversed to record a rate of 15.1 percent in August 2004. Thereafter, the trend remained relatively stable to close at 14.7 percent in June 2005. Figure 5 shows that the yield-to-maturity rates on the 3-year bond fluctuated throughout the year and gradually rose from 16.8 percent in July 2004 to 17.7 percent in May 2005.

**Figure 4: Trend in the 2-year bond yield-to-maturity rates (January 14, 2004 to June 15, 2005)**



Source: Bank of Uganda

**Figure 5: Trend in the 3-year bond yield-to-maturity rates (February 2004 to May 2005)**



Source: Bank of Uganda



### ***2.2.2 Treasury Bond Secondary Market***

Throughout 2004/05, the average indicative bid/offer yield-to-maturity rates quoted in the secondary market for the 2-year, 3-year and 5-year bonds gradually increased from 14.4/14.2, 15.1/14.8, and 14.6/14.3 percent in the period ending September 2004, to 14.8/14.6, 16.9/16.6, and 16.2/15.1 percent in the period ending June 2005. On the other hand, 10-year bond's rates fell from 17.7/16.8 percent to 15.9/15.6 percent over the same time period. In 2004/05, a total of Shs. 8.0 billion of the 2-year, Shs. 1.7 billion of the 3-year, Shs. 0.2 billion of the 5-year and Shs. 0.5 billion of the 10-year bonds were traded in secondary market at the Uganda Securities Exchange.

### ***2.2.3 The treasury bill primary market***

During 2004/05, the Primary Dealership Program, which was started in 2002/03, was still in the first phase of implementation where all intending-participants in the primary auctions submitted their bids either directly, or through licensed primary dealers.

During 2004/05, Bank of Uganda introduced a fair and transparent ranking system through the issuance of a guide on market performance for the primary dealers. This tool was aimed at motivating primary dealers in the key areas of primary and secondary markets of government securities and Repos, enhancing and improving their performance, promoting the investors' awareness of the role of Primary Dealers, and in market intelligence.

Treasury Bills remained the main instrument for sterilization of liquidity. Effective March 2005, Bank of Uganda discontinued the issue of the 273-day paper in order to enhance the capacity of the Treasury bill to handle more and larger trades in the face of predetermined treasury bill auction volumes.

In line with the developments in the increased issuance of Treasury bonds, the stock of Treasury Bills decreased by 8.6 percent to Shs. 1,140.5 billion as at the end of June 2005, down from Shs. 1,248.0 billion as at end June 2004. As shown in Table 2 below, Treasury bills worth Shs. 1,211.1 billion in face value and Shs. 1,081.7 billion in cost value were issued against maturities of Shs. 1,318.4 billion resulting into a net redemption of Shs. 236.7 billion.



**Table 2: Developments in the Treasury Bill Market**

	FY 2003/04	Q1 2004/05	Q2 2004/05	Q3 2004/05	Q4 2004/05	FY 2004/05
Stock of Treasury Bills (bill. Shs)	1,247.96	1,197.82	1,176.02	1,235.12	1,140.52	1,140.52
91 Day Treasury Bill factors						
<b>Average price</b>	96.61	98.20	97.86	97.84	97.79	97.92
ANNUALIZED DISCOUNT RATE (%)	13.61	7.25	8.57	8.66	8.85	8.33
Annualised discount yield (%)	14.18	7.38	8.76	8.85	9.05	8.51
Reference rate (%)	6.18	7.57	9.45	8.51	9.07	9.07
Rediscount rate (%)	11.87	13.27	15.15	14.20	14.77	14.77
Net issues (A-B)	(92.58)	(81.59)	(70.52)	28.58	(113.19)	(236.72)
Total issues	1,484.61	345.00	306.72	345.00	214.38	1,211.10
91 days	165.00	27.00	23.00	40.00	29.00	119.00
182 days	231.00	41.00	32.00	57.00	56.00	186.00
273 days	421.00	107.00	83.00	47.00	0.00	237.00
364 days	648.00	170.00	147.00	201.00	129.38	647.38
Total receipts (issues at cost) A	1,292.56	313.41	258.09	314.58	195.62	1,081.70
91 days	158.78	26.51	22.51	39.16	28.36	116.54
182 days	215.33	39.31	30.25	53.98	53.17	176.71
273 days	373.93	97.50	75.44	42.92	0.00	215.86
364 days	544.52	150.09	129.89	178.52	114.09	572.59
Total maturities B	1,385.14	395.00	328.61	286.00	308.81	1,318.42

Source: Bank of Uganda

In tandem with the observed trend established in previous years, commercial banks held the bulk of the outstanding stock of Treasury Bills. Their holdings accounted for 62.1 percent of the total stock. This proportion was marginally lower than 65.6 percent recorded in the year ended-June 2004. This change in composition was on account of an increase in the “Others” category that rose from 14.8 percent to 15.8 percent during this period. Bank of Uganda’s stock of Treasury bills mainly held for the conduct of open market operations (OMO), increased to 19.3 percent in 2004/05 from 17.3 percent of total stock in 2003/04. 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	FY 2003/04	Q1 2004/05	Q2 2004/05	Q3 2004/05	Q4 2004/05	FY 2004/05
Commercial banks	65.63	65.89	64.05	65.20	62.08	62.08
Non-Bank Institutions <sup>1</sup>	2.32	3.18	3.51	3.18	2.81	2.81
Bank of Uganda	17.29	17.23	18.25	17.10	19.34	19.34
Others <sup>2</sup>	14.76	13.71	14.19	14.52	15.77	15.77
Total	100.00	100.00	100.00	100.00	100.00	100.00
Stock of Treasury Bills	1,247.96	1,248.86	1,175.02	1,235.12	1,140.52	1,140.52

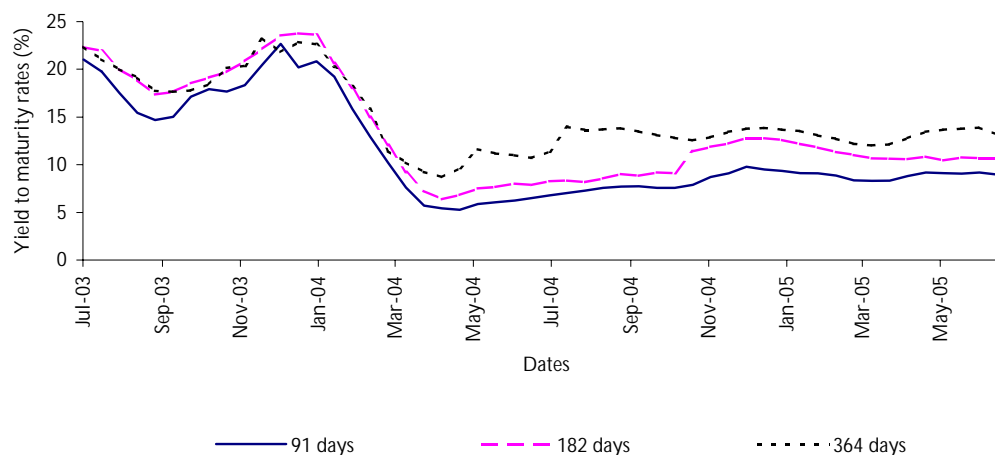
**Notes**

1. Non-bank financial institutions include credit institutions, micro-finance institutions and insurance companies.

2. Others include government agencies, individuals, offshore players 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. Based on the average rates of the Treasury bill auctions in the last month of the financial year, the annualised yield on the 91-day Treasury bill rose from 6.4 percent in June 2004 to 9.1 percent in June 2005. Similarly, the rates on the 182-day and 364-day treasury bills that were 7.9 percent and 10.8 percent in June 2004 increased to 10.7 percent and 13.5 percent by end-June 2005 respectively. Figure 6 below shows the developments in the yield to maturity rates of Treasury bills.

**Figure 6: Primary Market yield-to-maturity rates of Treasury Bills (July 2003-June 2005)**

Source: Bank of Uganda

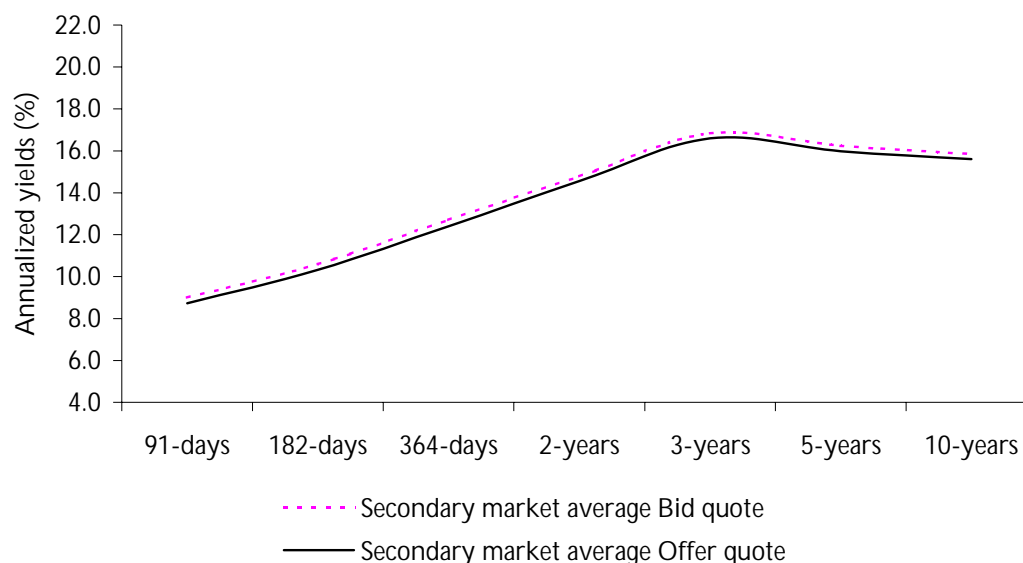


## 2.2.4 The treasury bill secondary market

Following the developments in the primary market, the indicative yield-to-maturity bid and offer rates from the primary dealers maintained an upward trend over the period under review. The monthly-average quotes on the 91-day Treasury Bill that were recorded at 6.4 and 6.1 percent respectively in June 2004 rose to 9.2 and 9.0 percent, by end June 2005. The monthly-average quotes for 182-days and 364-days papers were 10.6/10.3 percent and 13.0/12.8 percent by end June 2005, an increase from the respective 7.9/7.7 percent and 11.0/10.7 percent in June 2004. Total trades over 2004/05 amounted to Shs. 261.0 billion, of which Shs. 74.5 billion was related to horizontal REPOS. The rest of these trades were outright sales, and the majority were in securities of less than 91 days to maturity.

In line with the securities market, the yield curve in the secondary securities market was upward sloping at the shorter end of the market and evolved closely in line with the primary yield curve almost throughout all the maturity structures for the period ending June 2005. Figure 7 provides the evolution of the yields.

**Figure 7: Yield curve analysis for the Primary and Secondary Securities Markets as at June 30, 2005**



Source: Bank of Uganda



### 2.2.5 The vertical repo market

The vertical repo market, which reflects repo transactions between primary dealer commercial banks and the central bank, was active throughout the financial year. This market was used as a flexible fine-tuning instrument for liquidity management during intra-treasury bill and bond auction periods. During 2004/05, gross Repo issuance amounted to Shs. 3,361.7 billion against maturities of Shs. 3,433.0 billion. These amounts were higher than the levels registered in 2003/04, partly reflecting the increasing role of the REPO instrument as holding ground of excess liquidity before sterilisation using Government securities. The net effect of the REPO instrument on liquidity management was therefore an injection of Shs. 71.3 billion in 2004/05, compared to an injection of Shs. 375.4 billion recorded in 2003/04.

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

	FY	Q1	Q2	Q3	Q4	FY
	2003/04	2004/05	2004/05	2004/05	2004/05	2004/05
Issuance of REPOS(Shs Bns)	2,728.15	1,177.65	1,157.00	792.60	234.40	3,361.65
Maturity of REPOS(Shs Bns)	3,103.52	1,180.26	1,217.24	800.98	234.49	3,432.97

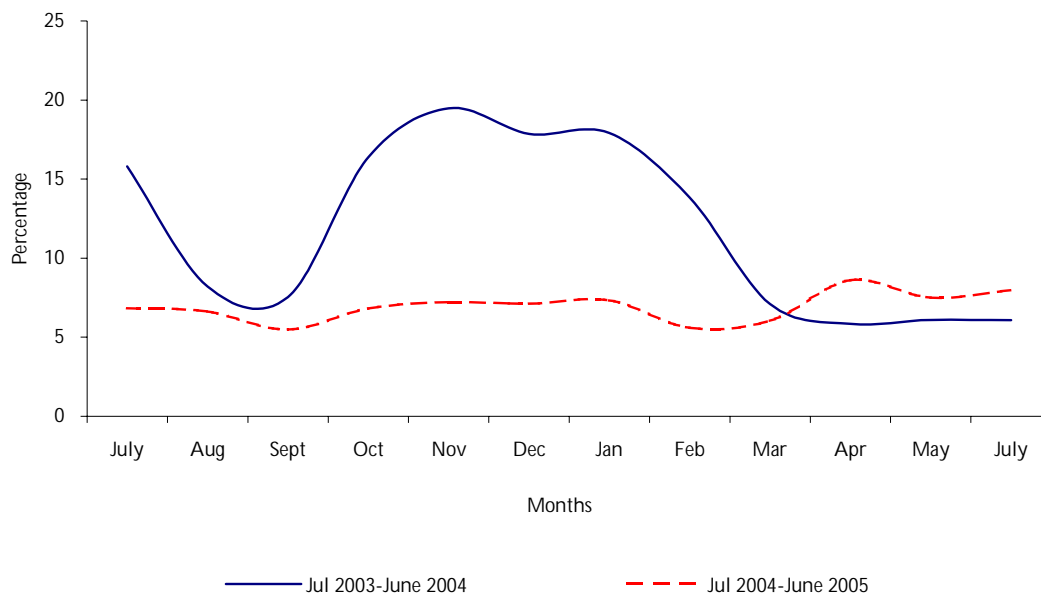
Source: Bank of Uganda

### 2.2.6 The inter-bank money market

The inter-bank money market showed a marked increase in activity throughout the period under review with most of the activity taking place at the short-end of the market (i.e. for less than 30 days). The total volumes traded increased from Shs. 1,888.0 billion in 2003/04 to Shs. 3,129.0 billion in 2004/05 partly due to increased use of the vertical REPO in liquidity management through primary dealers who source funds from the commercial banks to participate in the Repo market. In the primary dealership program, primary dealers were given exclusive rights to participate in the vertical Repo market as an incentive for market making. In addition to the existing horizontal Repo, increased confidence amongst the commercial banks facilitated significant trading in the inter-bank money market. As depicted in Figure 8 below, the repo rates in 2004/05 were not only low but stable when compared to the volatile rates in 2003/04.



**Figure 8: Monthly average rates in the inter bank money markets**



Source: Bank of Uganda

### ***2.2.7 Commercial banks' rates***

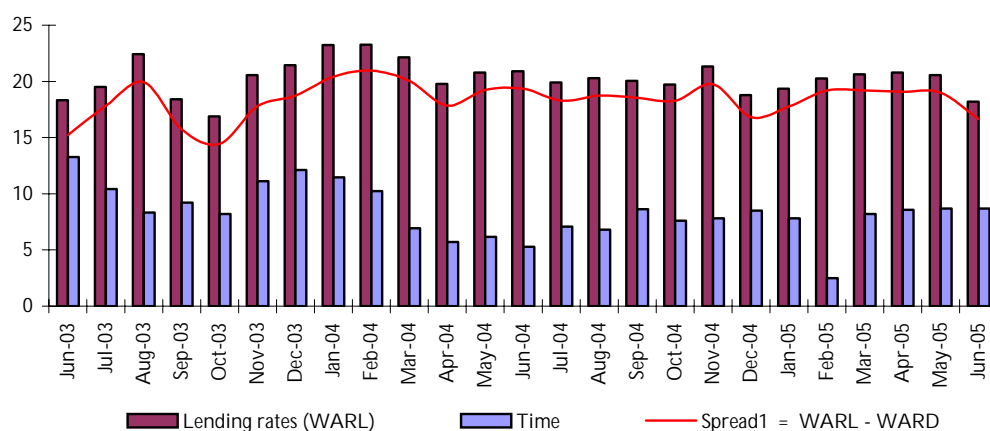
During the period under review, a stable trend was observed in the commercial banks' interest rates. With the exception of the time deposit rate, the weighted average rate for all shilling denominated deposits remained stable during the year. The saving deposit rate that was recorded at 2.9 percent in June 2003 declined to a low of 2.1 percent in June 2004 before dropping even further to 1.8 percent in June 2005. Interest rates on demand deposits followed a stable trend, opening the year at 1.2 percent and declining to 1.1 percent at the end of the period under review. This trend in the rates was different from the time deposits rates that opened at 5.3 percent, and rose to 10.2 percent at the end of June 2005. This could be attributed to commercial banks' efforts to mobilize more time deposits as the transfer of project accounts to Bank of Uganda began to be effected.

The weighted average lending rate for shilling denominated loans fluctuated during the year opening at 20.9 percent in June 2004, rising to 20.8 percent in April 2005 and ended the period at 18.1 percent. The developments in the effective lending rates within the year were largely driven by the composition of borrowers. In months where prime borrowers dominated borrowing activity, the effective lending rates tended to decline and the converse obtained when non-prime borrowers dominated. In the case of foreign currency deposits, the average



demand deposit rate were stable over the year but the time deposit rates increased from 2.7 percent reported in June 2004 to close the year at 3.0 percent in June 2005 with a high of 4.4 percent in November 2004. The lending rate for foreign currency denominated loans fluctuated during the year opening at 6.7 percent as at June 2004 rising to 12.4 percent in August 2004 and closing at 8.4 percent in June 2005 partly reflecting the increased dollar supply in the banking system but also the low demand on the dollar denominated assets. The spread between the average effective lending and deposit rates (in the shilling market) was generally stable at around 19.5 percent, compared to the rising trend exhibited in the previous financial year. However, the spread between the lending rate and the time deposit rate decreased during the year, from 19.4 percent in June 2004 to 16.7 percent in June 2005. Figure 9 and Appendix 29 trace the developments in commercial bank rates and the spread between them.

**Figure 9: Commercial bank interest rates and spread, June 2003 to June 2005.**



Source: Bank of Uganda

### ***2.3 The foreign exchange market and exchange rates***

The exchange rate experienced significant appreciation pressures during 2004/05 driven in part by the weakening of the US\$ vis-à-vis other currencies. As a result of the strengthening of the Uganda shilling, Bank of Uganda suspended both sterilisation and intervention for most part of 2004/05. The net sales of foreign exchange to the market declined from US \$ 140.9 million in 2003/04 to US \$ 69.3 million during 2004/05.

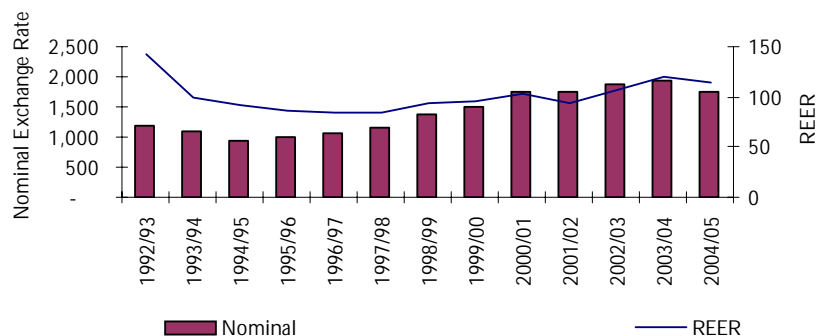
The weighted average mid rate in the inter-bank foreign exchange market appreciated by 10.2 percent from Shs. 1,934.9 per US \$ in 2003/04 to Shs. 1,737.6 per US\$ in 2004/05. This was in contrast to the depreciation of 2.7 per cent posted in the preceding financial year.



The appreciation of the Uganda shilling against the US dollar was largely driven by the increased inflows of foreign exchange from the private sector that occurred against relatively reduced corporate demand. These inflows included export receipts and private remittances. As indicated earlier, the US dollar at the same time was generally weaker against most major currencies.

Against the Euro, the shilling appreciated by 4.2 percent to Shs. 2,208.2 per Euro in 2004/05 from Shs. 2,304.6 in 2003/04. Similarly, the Shilling appreciated by 11.8 percent against the Kenyan currency during 2004/05 to Shs. 22.1 from Shs. 25.1 in 2003/04. Consequently, the nominal effective exchange rate (NEER) appreciated by 7.8 percent from an index of 123.9 in 2003/04 to an index of 114.2 in 2004/05. The appreciation was in contrast to the depreciation of 10.1 percent registered in 2003/04. The real effective exchange rate (REER) appreciated by 3.5 percent from an index of 119.2 in 2003/04 to an index of 114.9 in 2004/05. Figure 10 traces the developments in the nominal and the real effective exchange rates and Table 5 provides period average exchange rates of the country's major trading currencies.

**Figure 10: 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	RSA 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	3,383.46	25.10	2,304.59	281.34
2004/05	1,737.56	3,224.01	22.14	2,208.22	280.49



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\$ 4.9 billion in 2004/05 compared to US\$ 3.7 billion in 2003/04. Retail sales amounted to US\$ 2.1 billion, an increase of 31.3 percent from last financial year's level of US \$ 1.6 billion. Retail purchases also increased by 33.3 percent from US \$ 1.5 billion in 2003/04 to US\$ 2.0 billion in 2004/05. Inter-bank transactions also increased similarly to about US\$ 0.8 billion in 2004/05 compared to US\$ 0.5 billion last year. Foreign exchange inflows to the market during the financial year were mainly composed of private remittances, 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	Total
1993/94	273.30	290.80	91.40	655.50
1994/95	749.70	740.00	267.20	1,756.80
1995/96	976.50	1,019.40	287.40	2,283.30
1996/97	1,142.10	1,153.40	220.00	2,515.60
1997/98	1,219.20	1,238.40	200.70	2,658.30
1998/99	1,259.30	1,228.20	298.10	2,785.60
1999/00	1,343.60	1,224.50	262.20	2,830.30
2000/01	1,358.20	1,182.00	336.00	2,876.20
2001/02	1,567.60	1,366.40	401.80	3,335.80
2002/03	1,522.30	1,232.00	472.90	3,227.20
2003/04	1,646.20	1,511.50	521.60	3,679.40
2004/05	2,073.20	1,986.40	823.10	4,882.60

Source: Bank of Uganda





## MONETARY AND FINANCIAL SECTOR DEVELOPMENTS

### 3.1. Money and Banking

#### 3.1.1. Base money

Base money, defined as commercial banks' deposits at Bank of Uganda, plus currency issued and commercial banks' holdings of BOU securities, recorded an annual growth of 7.1 per cent over its June 2004 level. Excluding commercial bank holdings of BOU's securities, base money grew by 14.6 per cent from Shs. 809.9 billion to Shs. 928.3 billion. This compares to 28.4 percent registered in the preceding year. With regard to the components of base money, the reserves of commercial banks held at BOU increased by 12.3 percent to Shs. 229.7 billion by the end of June 2005, currency issues grew by 15.4 percent or Shs. 93.3 billion to Shs. 698.6 billion, while commercial bank holdings of BOU instruments fell from Shs. 57.2 billion to zero between June 2004 and June 2005. The growth in base money in 2004/05 was mainly on account of the increase in net foreign assets. This largely arose from BOU's reduced capacity to sell the programmed amount of foreign exchange to the Inter-bank Foreign Exchange Market (IFEM) following the appreciation pressures in this market discussed in the previous section. Table 7 depicts developments in base money and other aspects of the monetary authority balance sheet over the period.

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

	June 2001	June 2002	June 2003	June 2004	June 2005
Net Foreign Assets	792.31	1,090.59	1,500.50	1,680.47	2,050.84
Net Domestic Assets	-296.64	-501.40	-904.85	-899.22	-1209.24
Claims on Government (net)	202.97	12.67	-194.82	-474.38	-833.41
Claims on Private Sector	0.00	.3	-	23.94 <sup>4</sup>	20.11
Claims on Parastatals	4.26	4.04	4.03	1.89	1.32
Claims on Commercial Banks	63.94	72.46	100.49	85.84	86.73
Other Items (net)	-503.87	-518.11	-714.07	-450.69	-397.26
Base Money (including holding of BOU's securities)	559.61	661.64	696.13	867.09	928.33
Base Money	549.61	630.04	630.64	809.94	928.33
Currency outside BOU	386.73	447.94	520.25	605.29	698.58
Commercial Bank Reserves	162.88	182.11	110.38	204.64	229.75
Commercial Banks' holding of BOU securities	10.00	31.60	65.50	57.15	0.00

Source: Bank of Uganda

<sup>3</sup> Reclassified in June 2002 to: Parastatals (barter and crop finance), Other Items; assets (other advances) and liabilities (non-government, non-bank deposits).

<sup>4</sup> DFD Loans extended directly to the private sector



### ***3.1.2. Money supply***

Broad Money (M3), which comprises of Currency in Circulation (CIC) and all private sector held deposits, grew by 8.7 per cent or Shs. 223.9 billion in 2004/05 to Shs. 2811.1 billion by end-June 2005 compared to 9.0 percent growth recorded in 2003/04. The slight deceleration in the rate of growth of M3 can be traced to the performance of resident's foreign currency denominated deposits, which declined by 1.4 percent in 2004/05 compared to an increase of 6.1 percent in 2003/04. The slow down of resident's foreign deposits was partly on account of both the appreciation effects and the slower build-up of these deposits in dollar terms compared to developments in 2003/04. As the shilling return on holding these currencies reduces leading to a slower build up of foreign currency deposits. Currency in circulation grew by 14.3 percent, demand deposits by 7 per cent and time and savings deposits by 17.1 percent during the financial year 2004/05. The net foreign assets (NFA) and private sector credit (PSC) led to an increase in M3 equivalent to 10.7 percent and 8.2 percent respectively. However, the government savings with the banking system cause a contraction in M3 of 10.0 percent. Broad Money (M2A), which includes currency in circulation and shilling deposits, grew by 12.1 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 11.7 percent or Shs. 277.1 billion during 2004/05. The net foreign assets of BOU rose by 22 percent to Shs. 2,050.8 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 declined by 13.5 percent to Shs. 596.8 billion over the same period. Table 8 summarizes these developments.

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

	June	June	June	June	Change, June 2004 –June 2005	
	2002	2003	2004	2005	Absolute	Percent
Net Foreign Assets	1552.64	2101.30	2370.54	2647.66	277.12	11.69
Bank of Uganda	1090.59	1500.50	1680.47	2050.84	370.36	22.04
Commercial Banks	462.06	600.79	690.07	596.83	-93.24	-13.51
Domestic Credit	1,151.38	1246.13	1107.37	1054.29	-53.08	-4.79
O/w Claims on Government (net)	482.04	390.36	83.44	-176.31	-259.75	-311.29
Claims on Private Sector	661.66	848.60	1009.98	1222.48	212.50	21.04
Other Items (net)	-778.65	-974.05	-890.66	-890.84	-0.18	0.02
NDA (net of revaluation)	535.00	603.17	660.48	689.21	28.73	4.35
Broad Money (M3)	1925.40	2373.38	2587.26	2811.11	223.86	8.65
Foreign Exchange Deposits	434.81	624.19	662.38	653.25	-9.13	-1.38
Broad Money (M2A)	1490.59	1749.19	1924.88	2157.86	232.99	12.10
Currency in Circulation	407.22	461.38	529.29	605.06	75.77	14.32
Private Demand Deposits	617.49	725.14	803.98	860.15	56.17	6.99
Private Time & Savings Deposits	460.06	558.67	589.59	690.68	101.09	17.15
Certificates of Deposit	5.82	4.00	2.02	1.98	0.05	-2.27

Source: Bank of Uganda

### **3.1.4. Net domestic assets**

The net domestic assets of the banking system excluding revaluation increased by 4.3 percent to Shs. 689.2 billion as at the end of June 2005. In the same period, the government position with the banking system was a saving amounting to Shs. 176.3 billion, representing an improvement of Shs. 259.8 billion compared to a borrowing of Shs. 83.4 billion at the end of June 2004. On the contrary, the banking system's claims on the private sector grew strongly by 21.0 percent or Shs. 212.5 billion between June 2004 and June 2005, up from 19.0 percent between June 2003 and June 2004.

### **3.1.5. Financial depth**

During 2004/05, financial savings rose significantly by 17.1 percent or Shs. 101.1 billion to Shs. 692.7 billion. As a ratio of M2A, financial savings increased to 32.1 percent in 2004/05 compared to 30.7 per cent in 2003/04. Similarly, the ratio of currency in circulation as a proportion of Broad Money



(M2A) rose to 28 percent from 27.5 percent a year earlier. However, currency in circulation as a proportion of GDP was stable at 4.4 percent. The ratio of Broad Money (M3) to GDP declined slightly to 20.2 percent over the same period, and monetary GDP as a percentage of total GDP also reduced slightly to 80.9 percent relative to 2003/04. The deterioration in most of the financial indicators was largely on account of the relatively faster growth in nominal GDP that was recorded over the period under review. These developments are summarised in Table 9.

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

Financial Aggregate	2001/02	2002/03	2003/04	2004/05
GDP (billion Shs)	9,359.10	10,766.15	12,055.84	13,891.11
Monetary GDP (billion Shs)	7,652.39	8,779.14	9,904.79	11,249.56
Broad Money (M3, billion Shs)	1,925.40	2,373.38	2,587.26	2,811.11
Broad Money (M2A, billion Shs)	1,490.59	1,749.17	1,924.88	2,157.86
Financial Savings <sup>5</sup> (billion Shs)	465.88	562.67	591.61	692.66
Currency in Circulation (billion Shs)	407.22	461.38	529.29	605.06
Memorandum Items:				
Monetary GDP / Total GDP (%)	81.76	81.54	82.16	80.98
Broad Money (M3)/Total GDP (%)	20.57	22.04	21.46	20.24
Broad Money (M2A)/ Total GDP (%)	15.93	16.25	15.97	15.53
Financial Savings/M2A (%)	31.25	32.17	30.73	32.10
Financial Savings/GDP (%)	4.98	5.23	4.91	4.99
Currency in Circulation/M2A (%)	27.32	26.38	27.50	28.04
Currency in Circulation/GDP (%)	4.35	4.29	4.39	4.36

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 financial institutions, introduction of new regulations, competition in financial institutions and better service delivery that improved in terms of both quality and quantity. Increased competition ensured the continued build up of public confidence in the financial sector and led to better provision of services. Banks continued to expand their services in all regions of 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 10.8 percent to Shs. 3,551.5 billion. During the year 2004/05, the stock of credit grew by 21.0 percent continuing the strong growth of 19.0 percent recorded in 2003/04 and 28.3 percent in 2002/2003. There was strong demand for credit by the real sector, better risk management by the banks, as well as the need to look for alternative earning assets as banks reach their caps on treasury bills' holdings and the interest rates thereon declined. The trend in the portfolio

<sup>5</sup> Financial savings are defined as: total time and saving deposits plus certificates of deposits.



behaviour of commercial banks saw their liquidity remain at levels similar to those of 2003/04. Consequently, the overall liquid-asset ratio at end-June 2005 was 53.9 percent compared to 53.4 percent for end June 2004, down from 61.1 percent at end-June 2003. The quality of assets of banks, as measured by the proportion of non-performing loans to total loans, deteriorated slightly to 2.9 percent at end-June 2005 from 1.6 percent in June 2004, but was an improvement compared to the ratio of 8.0 percent recorded at end June 2003. The capital adequacy of the banking system, as measured by the proportion of total capital to risk weighted assets, declined slightly to 18.2 percent from 19.0 percent over the same period.

During 2004/05, efforts were made to enforce more strict banking standards by revising existing and issuance of new prudential regulations under the Financial Institutions Act of 2004. Consequently, seven prudential regulations were gazetted and operationalised in May 2005 in the areas of licensing, capital adequacy, credit classification and provisioning, credit concentration and large exposures, insider lending, liquidity, corporate governance, ownership and control. The regulation for the credit reference bureau was gazetted during the period under review. The implication is that Uganda's financial institution legislation was upgraded to international standards and this now provides for best practices as set out in the Basle core principles for effective supervision. This is expected to further facilitate the development and deepening of the financial sector.

In relation to the Micro Finance Deposit –Taking Institutions Act 2003, five implementing regulations were gazetted during 2004/05 covering the areas of licensing, liquidity and funds management, capital adequacy, asset quality and reporting requirements. During the year, the three Micro Deposit –Taking Institutions namely FINCA Uganda Limited, Uganda Micro-Finance Union (UMU) and PRIDE Microfinance Limited were licensed under the new regulatory regime and it was anticipated that other microfinance institutions would be licensed during 2005/06 after satisfying all requirements. In addition, micro finance institutions continued to gain in strength, with the registered institutions numbering over 500. These institutions extended credit and other financial services to micro and small enterprises.

A number of projects were also completed during the year. The Bank Returns Management System (BRMS) became fully operational after trials at the end of the previous financial year. It is used to receive, process and analyse electronically submitted returns from supervised financial institutions. The deployment of the Bank Supervision Application (BSA) was completed in April 2005. The application, which is used by most of the central banks in the East, Central and Southern Africa region, addresses generic bank supervision functions such as licensing of institutions, managing the supervisory infrastructure, off-site supervision, on-site investigations, enforcement actions and data collection. Both



initiatives have further strengthened the supervision capacity of the Bank of Uganda.

The process of reforming and improving the National payments system also continued during the year. In this area, the central bank finalised the process of establishing the Real Time Gross Settlement System (RTGS) and it became operational on 21<sup>st</sup> February 2005. The RTGS, which is an interbank credit transfer system in which payments are settled on a real time basis, is expected to reduce the clearing cycle, reduce risk in payment systems and promote efficiency and competitiveness in the banking sector. During the year, BANKOM, a private company, which was approved to operate an electronic switch, launched the service. The payment switch enables clients to access funds from ATM's of other banks and to promote the use of debit cards and credit cards in the economy. By the end of financial year, three banks had subscribed to Bankom. Other innovations in the financial system included the further extension by banks of the Automated Teller Machine (ATM) network to cover a majority of their branches across the country.

During 2004/05, efforts spearheaded by the monetary authority to establish and implement an anti-money laundering regime in Uganda continued. An Anti-Money Laundering (AML) Bill was passed by cabinet during the year and awaits parliament's approval. It is anticipated that the Bill will be passed in the near future.

Among other developments, regionally, Uganda continued efforts at harmonising payment systems within the East Africa Region through a forum for central banks in such areas as a common cheque standard and common risk management measures.

### **3.3. Commercial banks' activities**

#### **3.3.1. Assets**

The total assets of commercial banks increased by 10.8 percent to Shs. 3,551.5 billion at the end of June 2005 from Shs. 3,204.0 billion recorded in June 2004. Specifically, net domestic assets (NDA) increased by 20.1 percent to Shs. 1,959.8 billion. Outstanding claims on the private sector, excluding parastatals and local government grew by 21.9 percent or Shs. 216.3 billion to Shs. 1,202.4 billion, while net claims on the Bank of Uganda fell by 19.4 percent or Shs. 41.9 billion to Shs. 174.6 billion at the close of the financial year. The fall in net claims on BOU was mainly on account of outstanding stock of REPOs, which came down from Shs.57.2 billion at the end of June 2004 to zero at the end of June 2005. Cash in vaults increased by Shs. 17.5 billion to Shs. 93.5 billion while net claims on government increased by 17.8 per cent to Shs. 657.1 billion. This was mainly on account of a rise in commercial bank investment



in government securities. There was a decline in the net foreign assets of commercial banks of 13.5 percent to Shs. 596.8 billion during the financial year. The decline in net foreign assets arose because banks drew down their balances with financial institutions abroad, and increased their foreign liabilities as non-residents' balances increased. Table 10 below summarises the developments in commercial bank assets during the review period.

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

Asset Type	June 2003	June 2004	June 2005	Change June 04-June 05	
				Absolute	Percent
Net Foreign Assets	600.79	690.07	596.83	-93.24	-13.51
Net Domestic Assets	1495.79	1631.92	1959.79	327.88	20.09
o/w Claims on Private Sector	848.60	986.03	1202.37	216.34	21.94
Claims on Government (net)	585.18	557.82	657.10	99.28	17.80
Cash in Vaults	58.88	76.00	93.52	17.52	23.05
Claims on BOU (net)	227.20	216.48	174.58	-41.90	-19.35
Other Items (net)	-411.78	-480.49	-525.14	-44.65	9.29

Source: Bank of Uganda

### 3.3.2. Liabilities

During 2004/05, private sector deposits in commercial banks increased by 7.2 percent to Shs. 2,206.1 billion reflecting in part aggressive deposit mobilization by commercial banks and the continued improvement of confidence in the financial sector. Time and Savings-deposits increased by 17.1 percent to Shs. 690.7 billion, private demand deposits increased by 7 percent to Shs. 860.1 billion, while foreign currency deposits declined by 1.4 percent to Shs. 653.3 billion. Table 11 and Figure 12 below indicate movements in commercial bank deposits.

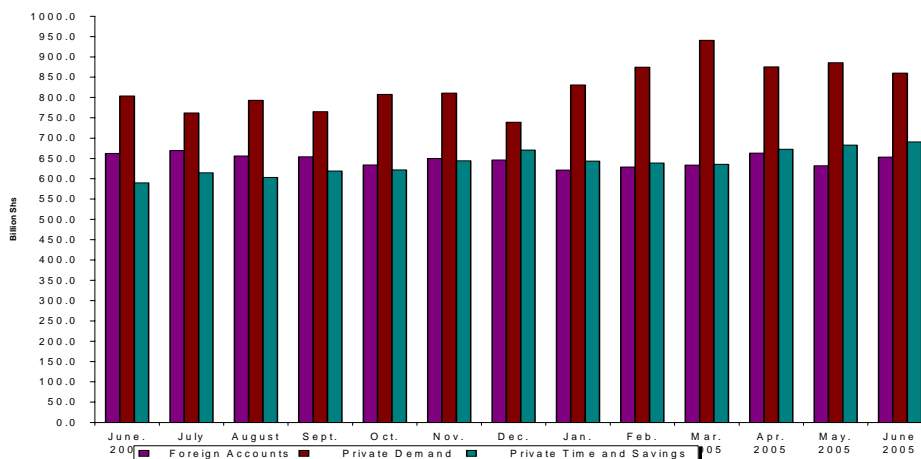
**Table 11: Non- bank deposits with commercial banks (Shs billion, at end of period)**

Deposit type	June 2004	June 2005	Change June 04-June 05	
			Absolute	Percent
Foreign Exchange Deposits	662.38	653.25	-9.13	-1.38
Demand Deposits	803.98	860.15	56.17	6.99
Time & Savings Deposits	589.59	690.68	101.09	17.15
Certificates of Deposit	2.02	1.98	0.05	-2.27
Total Deposit Liabilities	2057.97	2,206.05	148.08	7.20

Source: Bank of Uganda



**Figure 11: The evolution of deposits of commercial banks (Shs billion)**



Source: Bank of Uganda

### ***3.3.3. Outstanding loans and advances to the private sector***

During the year under review, the total outstanding stock of credit to the private sector by commercial banks increased by 21.1 percent to Shs. 1, 210.6 billion at June 2005. The evolution of outstanding credit however, was not uniform across sectors during the year. The trade and other services sector continued to account for the largest share of credit from banks at 61.6 percent by the end of the review period, and manufacturing was second at 19.0 percent while credit to the agricultural sector accounted only for 10.0 percent of total credit to the private sector. While credit to the building and construction sector grew by 30.6 percent over the period, a decrease in outstanding credit was recorded in the transport, electricity and water sector and the mining sector of 14.1 percent and 27.7 percent respectively during the period under review. Figure 12 shows the percentage distribution of loans to the private sector while Table 12 indicates outstanding loans and advances categorised by economic sector.



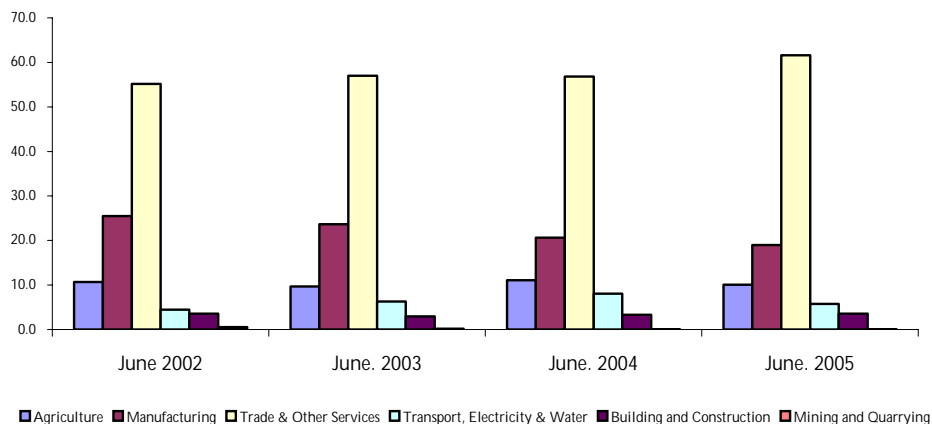


**Table 12: Outstanding loans and advances to the private sector (Shs billion, at end of period)**

Sector	June 2004	June 2005	Change June 04-June 05	
			Absolute	Percent
Agriculture	110.61	121.64	11.03	9.98
Manufacturing	206.29	230.25	23.95	11.61
Trade and other services	567.99	745.63	177.63	31.27
Transport, Electricity & Water	80.76	69.40	-11.36	-14.07
Building & Construction	32.93	43.00	10.07	30.58
Mining and Quarrying	0.91	0.66	-0.25	-27.67
Total <sup>6</sup>	999.51	1,210.59	211.08	21.12

Source: Bank of Uganda

**Figure 12: Percentage distribution of loans and advances to the private sector**



Source: Bank of Uganda

## 3.4 Non-Bank Financial Institutions (NBFI)

### 3.4.1 Assets

The financial year 2004/05 witnessed continued growth in the activities of the Non-Bank Financial Institutions. This was reflected by a 26.2 percent growth in total assets to Shs. 194.1 billion. This growth was mainly the result of

<sup>6</sup> Includes lending to Parastatals and local governments. This amounted to Shs6.8 billion as at end June 2005.

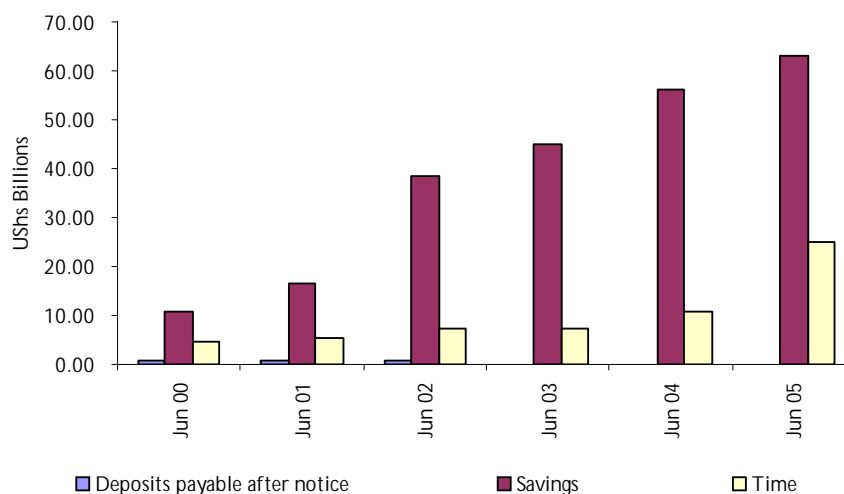


increases in advances to the private sector, and balances with Commercial banks, coupled with stability in the financial system. This growth was higher than the 16.3 percent increase registered in 2003/04.

### **3.4.2 Liabilities**

During 2004/05, total deposits of the credit institutions increased by 27.6 percent to Shs 119.0 billion. Of these, total private sector held deposits grew by 31.2 percent to Shs. 88.1 billion, compared to 28.8 percent growth during the preceding year. Maintaining the trend observed last year, the private sector's time deposits rose to Shs. 24.9 billion more than doubling the preceding year's deposits of Shs. 10.8 billion while the savings deposits increased by Shs. 6.8 billion or 12.1 percent to Shs. 63.2 billion at end-June 2005. The increase in savings deposits was lower than that of 25.7 percent recorded in 2003/04. Figure 13 shows the developments in the deposits of NBFIs.

**Figure 13: Private Sector Deposits of Non-Bank Financial Institutions.**



Source: Bank of Uganda

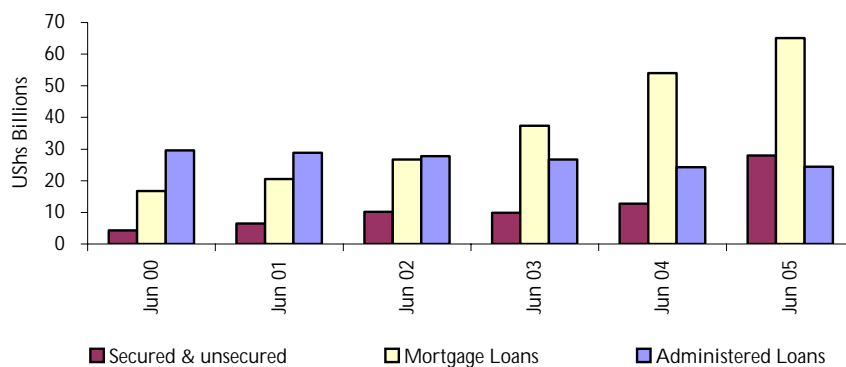
### **3.4.3 Loans and advances to the private sector**

In 2004/05, the stock of outstanding loans and advances increased by 29.0 percent to Shs. 117.4 billion. The increase was mainly attributed to the growth in secured and unsecured loans, which more than doubled to Shs. 28.0 billion, and an increase in mortgage loans of 20.3 percent. Despite a slight drop in its share of NBFIs credit from 82.7 percent, the building and construction sector continued to claim the biggest share of credit from the NBFIs, at 74.1 percent. Lending to this sector is dominated by one credit institution which accounts



for 60.2 percent of the assets of the sub-sector. Figure 14 shows the developments in the loans and advances of NBFIs.

**Figure 14: Outstanding Loans and Advances of Non-Bank Financial Institutions**



Source: Bank of Uganda

### 3.4.4 Liquidity

During 2004/05, the liquidity position of NBFIs improved by 37.7 percent to Shs. 57.1 billion of liquid assets. The balances of NBFIs at commercial banks grew by 52.7 percent to Shs. 34.6 billion. Investments in other stocks and shares fell significantly from Shs. 5.0 billion at the end of June 2004 to Shs. 0.1 billion at end-June 2005 while holdings of government securities rose from Shs. 11.2 billion to Shs. 19.3 billion, reflecting efforts by NBFIs to diversify their investments. The increase in liquid assets could be attributed to the need to meet the statutory liquidity requirements. Table 13 shows the liquidity positions of NBFIs.

**Table 13: The Liquidity of Non-Bank Financial Institutions (Shs billion)**

Aggregate	Jun 01	Jun 02	Jun 03	Jun 04	Jun 05	Absolute Change (Jun 04 - Jun 05)	% Change
Cash in Vaults	1.07	1.84	2.08	2.67	3.14	0.47	17.43
Treasury Bill Holdings	1.88	8.55	11.62	11.18	19.34	8.16	73.00
Balance with commercial Banks	14.33	15.57	16.30	22.64	34.57	11.93	52.70
Investments in other stocks and shares	0.07	7.19	9.49	4.98	0.07	-4.91	-98.59
Total	17.34	33.15	39.49	41.47	57.12	15.65	37.73

Source: Bank of Uganda



## 4.0 FISCAL OPERATIONS

### 4.1 Overview

In the fiscal year 2004/05, the government financial position reflected an improvement in the budget deficit excluding grants from 10.7 percent of GDP at market prices in 2003/04 to 8.7 percent. The performance in respect of the government position occurred as a result of improved revenue performance and efforts at fiscal consolidation 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 10.8 percent to Shs. 3,226.2 billion in 2004/05 from Shs. 2,911.8 billion registered in 2003/04. As a share of GDP, government revenue and grants were estimated at about 21.3 percent compared to 22.1 percent in the previous year.

Excluding grants, government revenue increased by 16.7 percent to Shs. 1,948.3 billion, up from Shs. 1,669.1 billion recorded in 2003/04 when government revenue grew by 16.4 percent. As a ratio of GDP, the revenue collection amounted to 12.9 percent compared to 12.6 percent in 2003/04. Unlike in the previous year, the revenue collection by the Uganda Revenue Authority over shot the programmed target for 2004/05 of Shs. 1,870.0 billion by Shs. 81.3 billion. This was largely on account of commendable performance in the collection of Value Added Tax on domestically produced goods and international trade taxes.

Receipts from grants amounted to Shs. 1,277.9 billion or 8.4 percent of GDP in 2004/05, compared to 9.4 percent of GDP received in 2003/04. The delayed disbursement of some budget support grants of 2003/04 that actually materialised in 2004/05 served to raise the amount of grants in excess of what had been projected in 2004/05. Receipts from grants exceeded the program target by Shs. 302.6 billion and supplemented the increase in domestic revenue, thus raising the resource envelope above the program by Shs. 384.0 billion.

### 4.3 Government expenditure

Government expenditure and net lending amounted to Shs. 3,270.5 billion or 22.6 percent of GDP in 2004/05, representing a decrease from 23.4 percent of GDP realised in 2003/04. Development expenditure increased by 7.4 percent



to Shs. 1,227.4 billion from Shs. 1,142.9 billion in 2003/04. However, the outturn of the development outlay was lower than programmed amount by Shs. 206.7 billion or 16.8 percent. A notable development during the period under review was that domestic development expenditures on the non-PAF component increased relative to the 2003/04 level and exceeded the original budget allocation.

The wage bill, which was equivalent to 23.7 percent of the total government expenditure, increased by 13.4 percent to Shs. 774.4 billion in 2004/05. Payments of both domestic and external interest during the year amounted to Shs. 229.3 billion or 7.0 percent of the total government expenditure, representing a decrease of Shs. 33.3 billion or 12.7 percent over the level of 2003/04.

#### **4.4 The Budget deficit and its financing**

The overall budget deficit excluding grants as a percentage of GDP, that was recorded at 10.7 percent in 2003/04 improved to 8.7 percent in 2004/05. On a commitment basis, the deficit reduced from 1.3 percent of GDP in 2003/04 to 0.3 percent of GDP in 2004/05. The outturn of the fiscal deficit reflected the improvements underlying domestic tax revenue effort and enhanced expenditure management, which helped to stabilise the government position. Consistent with the national debt strategy, the deficit was mainly financed by net external inflows with a high grant element.

**Table 14: Uganda Fiscal Operations 2003/04 – 2004/05 (Shs Billion)**

Categories	2003/04 Outturn	2004/05 Program	2004/05 Prel. Outturn
Revenue and grants	2,911.8	2,842.2	3,222.6
Revenue	1,669.1	1,867.0	1,948.3
Grants	1,242.6	975.3	1,277.9
Total expenditure and net lending	3,085.9	3,445.7	3,270.5
Recurrent expenditure	1,892.2	1,935.6	1,978.8
Wages and salaries	683.0	765.8	774.2
Interest	263.0	261.6	229.7
Other recurrent 1/	887.1	850.5	911.5
Development expenditure	1,142.9	1,434.1	1,227.4
Domestic	441.4	497.9	487.1
External	701.5	936.2	74.0
Net lending and investment	4.1	-42.4	-7.6
Overall deficit (commitment basis)	-174.1	-603.5	-138.1
Overall deficit (Excluding grants)	-1,416.8	-1,578.8	-817.3
Financing	174.1	603.5	138.1
External financing (net)	300.6	486.8	24.3
Domestic (net)	-126.5	116.7	124.3
Banking system	-206.2	79.7	-164.0
Non bank	79.7	37.0	288.2
GDP at factor cost (current prices)	13,200.3	14,484.0	15,134.3
Memorandum items (% of GDP)			
Total revenue & grants	22.1	19.6	21.3
Domestic revenue	12.6	12.9	12.9
Grants	9.4	7.7	8.4
Expenditure and net lending	23.4	23.8	22.6
Recurrent	14.3	13.4	13.3
Development	8.7	9.9	8.1
Overall deficit (commitment)	-1.3	-4.2	-0.3
Overall deficit (excluding grants)	-10.7	-10.9	-8.7

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

Source: Ministry of Finance, Planning and Economic Development.





## **4.0 EXTERNAL DEVELOPMENTS** **SECTOR**

### **5.1 Balance of Payments developments**

The overall balance of payments recorded a surplus of US\$ 234.3 million. The surplus was largely on account of the favourable performance in the capital and financial account, which more than offset the deficit on the current account. The current account deficit excluding official grants, increased in nominal terms to US\$ 920.1 million in 2004/05, though as a percentage of GDP it decreased from 11.4 percent in 2003/04 to 10.6 percent of GDP in 2004/05. This development reflected an increase in the deficits on the goods, services and income accounts, despite an improvement in current transfer inflows. The deficit in the trade balance increased to US\$ 821.5 million in 2004/05, from US\$ 663.2 million during the previous year, largely as a result of the rise in the private sector imports. Table 15 provides a summary balance of payments for the period 2001/02 to 2004/05.





Table 15: Balance of Payments (US\$ millions)

	2001/02	2002/03	2003/04	2004/05
<b>A. CURRENT ACCOUNT BALANCE (A1+A2+A3+A4)</b>	<b>-307.98</b>	<b>-345.67</b>	<b>-81.20</b>	<b>-133.68</b>
<b>A1. Goods Account (Trade Balance)</b>	<b>-530.26</b>	<b>-622.76</b>	<b>-663.16</b>	<b>-821.47</b>
a) Total Exports (fob)	474.04	507.91	647.18	786.32
b) Total Imports (fob)	-1,004.30	-1,130.68	-1,310.34	-1,607.79
Services and Income	-451.20	-396.89	-389.98	-499.21
<b>A2. Services Account (Net)</b>	<b>-317.15</b>	<b>-259.70</b>	<b>-239.71</b>	<b>-331.86</b>
a) Inflows (credit)	224.99	267.91	366.78	487.83
b) Outflows (debit)	-542.13	-527.62	-606.49	-819.70
<b>A3. Income Account (Net)</b>	<b>-134.06</b>	<b>-137.18</b>	<b>-150.27</b>	<b>-167.35</b>
a) Inflows (credit)	29.47	20.26	40.04	42.01
b) Outflows (debit)	-163.52	-157.44	-190.31	-209.36
<b>A4. Current Transfers (Net)</b>	<b>673.48</b>	<b>673.98</b>	<b>971.94</b>	<b>1,187.00</b>
a) Inflows (Credit)	1,067.74	944.73	1,141.85	1,392.65
b) Outflows (Debits)	-394.26	-270.76	-169.91	-205.65
<b>B. CAP. &amp; FIN ACCOUNT BALANCE (B1+B2)</b>	<b>415.63</b>	<b>398.90</b>	<b>273.37</b>	<b>368.01</b>
<b>B1. Capital Account</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
a) Capital Transfers inflows (credit)	0.00	0.00	0.00	0.00
b) Capital Transfers, outflows (debit)	0.00	0.00	0.00	0.00
c) Nonproduced non financial assets (credit)	0.00	0.00	0.00	0.00
d) Nonproduced non financial assets (debit)	0.00	0.00	0.00	0.00
<b>B2. Financial Account; excl financing items</b>	<b>415.63</b>	<b>398.90</b>	<b>273.37</b>	<b>368.01</b>
a) Direct Investment	190.13	185.60	204.10	245.44
i) Direct investment abroad	0.00	0.00	0.00	0.00
ii) Direct investment in Uganda	190.13	185.60	204.10	245.44
b) Portfolio Investment	1.31	0.10	8.27	-10.87
i) Assets	0.75	-1.40	-2.15	0.00
ii) Liabilities	0.56	1.50	10.42	-10.87
c) Other Investment	224.19	213.20	61.00	133.44
i) Assets	-10.14	-51.76	-111.27	23.32
ii) Liabilities	234.34	264.96	172.27	110.12
<b>C. OVERALL BALANCE (A+B)</b>	<b>107.65</b>	<b>53.23</b>	<b>192.17</b>	<b>234.33</b>
<b>D. RESERVES AND RELATED ITEMS</b>	<b>-107.65</b>	<b>-53.23</b>	<b>-192.17</b>	<b>-234.33</b>
a) Reserve assets	-98.11	-30.92	-143.37	-182.18
b) Use of Fund credit and loans	-32.94	-41.76	-48.85	-51.68
c) Exceptional Financing	24.78	20.36	9.24	4.44
d) Errors and Omissions	-1.38	-0.90	-9.19	-4.92

Source: Bank of Uganda



### ***5.1.1 Merchandise exports***

Total exports of goods amounted to US\$ 786.3 million, equivalent to 9.0 percent of GDP. This was an increase of 21.5 percent from US\$ 647.2 million realized in the previous fiscal year. Coffee export receipts increased by 26.6 percent to US\$ 144.5 million in the fiscal year 2004/05 from US\$ 114.1 million realized in 2003/04. This improvement was due to an increase in the realized average unit price of coffee on the world market from US\$ 0.7 per kg in 2003/04 to US\$1.0 in 2004/05. Export volumes of coffee, however, dropped slightly from 2.6 million 60-kg bags in 2003/04 to 2.5 million bags in 2004/05.

Non-coffee exports registered an increase of 20.4 percent in value terms to yield US\$ 641.8 million in 2004/05. Fish export receipts (regional and international) rose by 43.6 percent to US\$ 169.6 million in 2004/05 from US\$ 118.1 million realized in 2003/04. This was mainly on account of an increase in volumes exported from 61.2 thousand metric tons in the previous fiscal period to 79.5 thousand metric tons in 2004/05. Receipts from the export of flowers increased by 16.7 percent to US\$ 31.7 million in 2004/05. This was mainly on due to a rise in volumes, which increased from 6,050 metric tons in 2003/04 to 6,680 metric tons in 2004/05. The realized unit price of flowers also improved to US \$ 4.75 in 2004/05 from US \$ 4.48 in 2003/04. Cobalt export earnings significantly improved to US\$ 13.7 million in 2004/05 from US\$ 2.7 million realized in 2003/04. This follows the re-opening of the cobalt plant in April 2004, which had been closed and laid off all the staff in October 2002 due to very low international prices. As such, the volumes of cobalt exports increased from 101.5 to 518.8 thousand kilograms. Similarly, gold exports increased by 22.0 percent to US\$ 71.3 million in the year ended June 2005.

However, there was a decline in export proceeds from some of the non-coffee exports, most notably electricity, tea and maize. Proceeds from electricity exports reduced to US\$ 8.3 million in 2004/05, down from the US\$ 12.6 million recorded in the previous financial year.

The receipts from tea exports decreased from US\$ 39.3 million in the previous period to US\$ 33.1 million as a result of a fall in both the average realized unit price for tea and volumes exported in 2004/05. Similarly, receipts from maize decreased by 29.1 percent from US\$ 18.8 million in the preceding period to US\$ 13.3 million over the period under review. While the realized unit price went up to US\$ 0.25/kg from US\$0.19/kg, the volumes exported declined by 46.2 percent to 52.5 thousand metric tons in 2004/05. Table 16 below provides a summary of exports.

**Table 16: Developments in Exports by Commodity (US\$ Millions)**

	2001/2	2002/3	2003/4	2004/5
<b>Total Exports</b>	<b>474.04</b>	<b>507.91</b>	<b>647.18</b>	<b>786.32</b>
<b>1. Coffee</b>	<b>85.25</b>	<b>105.47</b>	<b>114.13</b>	<b>144.53</b>
<b>2. Non-Coffee exports</b>	<b>388.78</b>	<b>402.44</b>	<b>533.05</b>	<b>641.79</b>
Electricity	13.94	15.47	12.64	8.25
Gold	56.67	48.18	58.49	71.33
Cotton	18.00	16.88	42.84	41.34
Tea	26.85	29.46	39.25	33.13
Tobacco	32.27	39.89	36.16	36.20
Fish & its prod. (excl. regional)	80.85	83.78	88.82	121.22
Fish & its prod. (regional exports)	26.68	27.65	29.31	48.39
Hides & skins	19.65	4.18	5.86	6.38
Simsim	0.47	1.55	3.38	3.07
Maize	13.07	8.16	18.76	13.29
Beans	1.45	5.49	4.87	4.33
Flowers	15.91	17.04	27.16	31.71
Oil re-exports	7.25	11.69	34.32	33.05
Cobalt	10.95	1.92	2.69	13.70
Others	64.79	91.09	128.53	176.40

Source: Bank of Uganda

### **5.1.2 Merchandise imports**

Total imports rose by 22.7 percent to US\$ 1,607.8 million from US\$ 1,310.3 million in 2003/04. In particular, the oil import bill rose by 13.2 percent from US\$ 139.2 million in 2003/04 to US\$ 157.6 million in 2004/05 largely due to higher oil prices that were experienced during the fiscal year. Private sector non-oil imports went up by 27.9 percent to US\$ 1,292.4 million from US\$ 1,010.4 million in 2003/04 reflecting the rise in import prices on one hand and partly due to increased consumer demand on the other. The import volume index rose by 9.7 percent while the import price index increased by 11.7 percent. Government imports also decreased by 1.9 percent from US\$ 160.8 million in 2003/04 to US\$ 157.8 million in 2004/05

### **5.1.3 Trade in services**

Over the fiscal year, Uganda remained a net importer of services. Earnings from the export of services were estimated at US\$ 487.8 million in 2004/05 representing an increase of 25.1 percent from US\$ 366.8 million registered in the previous fiscal year. Travel contributed the largest proportion of service



export receipts accounting for about 51.9 percent or US\$253.12 million of which US\$ 195.0 million was personal travel. Payments for services abroad increased by 35.6 percent to US\$ 819.7 million in 2004/05, with payment for freight services accounting for the biggest portion US\$ 288.8 million or 35.2 percent.

#### ***5.1.4 Income***

The deficit on the income account worsened to US\$ 167.4 million in 2004/05 from US\$ 150.3 million in 2003/04. Income receipts improved by 4.9 percent to US\$ 42.0 million during the fiscal year 2004/05, mainly on account of increased interest earned on commercial bank deposits abroad that amounted to US\$ 7.6 million in 2004/05. Income outflows increased by 10.2 percent to US\$ 209.4 million in 2004/05, mainly as a result of FDI related outbound payments and compensation of employees.

#### ***5.1.5 Transfers***

Net current transfers amounted to US\$ 1,187.0 million during 2004/05, an increase of 25.3 percent from the US\$ 971.9 million registered in the previous fiscal year. Official transfers to Uganda increased to US\$ 786.4 million in 2004/05 from US\$ 694.8 million realized in 2003/04. Estimated Private transfer inflows increased by 35.6 percent to US\$ 606.27 million in 2004/05. Similarly, private transfer outflows increased to US\$ 204.8 million, a 23.1 percent increase from the 2003/04 outflows.

#### ***5.1.6 The Capital and Financial Account***

The capital and financial account recorded a surplus of US\$ 368.0 million in 2004/05 up from a surplus of US\$ 273.4 million recorded in 2003/04. This was due to the increase in other investments outflows mainly on account of the build-up of banks assets of currencies and deposits abroad amounting to US\$ 39.7 million compared to the run down of US\$ 45.6 million in 2003/04. Foreign direct investment is estimated to have grown by 20.3 percent to US\$ 245.4 million from US\$ 204.1 million recorded in 2003/04.

#### ***5.1.7 International reserves***

During 2004/05, central bank's foreign exchange reserves excluding valuation changes increased by US\$ 182.2 million to US\$1,195.4 million. However, the level of foreign exchange reserves including valuation changes stood at US\$ 1,325.6 million at the end of June 2005, up from US\$1,133.4 million recorded at



end-June 2004. The growth in reserves was partly attributed to the increased disbursement of donor funds during the financial year. In addition, valuation gains were recorded on account of the US\$ depreciation against other hard currencies. As a result, foreign exchange reserves in terms of future months of imports of goods and services cover stood at 5.9 months as at end-June 2005 up from 5.7 months at the end of June 2004.

## 5.2 External Debt

### 5.2.1 External debt management

The Government maintained its debt management strategy of contracting debt of only highly concessional terms during the financial year. Some efforts to obtain relief from non-Paris Club bilateral creditors on terms comparable with those provided by the Paris Club members continued with Libya offering relief on debt during the later part of the fiscal year.

### 5.2.2 External debt profile

Uganda's stock of outstanding and disbursed external debt was estimated at US\$ 4,416.3 million as at end June 2005. This was a decrease of approximately US\$ 48.6 million in nominal stock from US\$ 4,464.9 million recorded as at end June 2004. The slight reduction in debt stock was due to the granting of additional debt relief from some non Paris Club bilateral creditors. As a ratio of GDP, the debt stock represented 50.7 percent, down from 65.6 per cent registered in June 2004. About 91.4 per cent of the total external debt was owed to multilateral institutions, 6.9 percent to non-Paris Club bilateral creditors, and 1.6 per cent to Paris Club creditors. The developments regarding Uganda's debt profile from June 2000 through to June 2005 are shown in Table 17 below. Figure 15 shows the share of the total debt outstanding and disbursed by creditor.

**Table 17: Outstanding Public Debt by Creditor (US\$ Million, end period)**

	Jun 00	Jun 01	Jun 02	Jun 03	Jun 04	Jun 05
						4,035.1
Multilaterals	2,913.10	2,906.78	3,306.29	3,715.36	4,007.68	3
Bilateral non Paris club	332.60	341.40	377.29	367.26	380.74	306.23
Bilateral Paris club	260.60	122.98	111.36	125.53	69.07	70.39
Commercial	5.90	4.01	9.20	3.58	3.48	0.62
Commercial Non bank	67.80	20.10	21.07	3.78	3.94	3.93
						4,416.3
Total Debt Stock	3,580.00	3,395.27	3,825.21	4,215.52	4,464.92	0

Note: 2004/05 Debt stock numbers are provisional

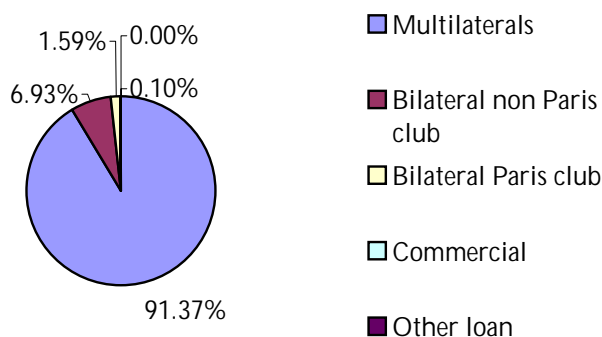
Source: Bank of Uganda and Ministry of Finance, Planning and Economic Development



### 5.2.3 Debt service

Total debt service excluding IMF obligations amounted to US\$ 128.0 million or 9.9 percent of total Exports of Goods and Services (XGS) in 2004/05. This was an increase of 21.2 percent from US\$ 105.7 million in 2003/04. Total debt service including IMF obligations amounted to US\$ 184.0 million or 14.3 percent of total exports up from US\$ 162.0 million in 2003/04.

**Figure 15: Share of the total debt by creditor as at June 2005**



Source: Bank of Uganda

### 5.2.4 Uganda's International Investment Position

Uganda's net international investment position at year-end 2004 was US\$-5,131.5 million compared to US\$-4,659.2 million in 2003. The net change of US\$-472.2 million from year-end 2003 to year end 2004 was largely due to a substantial net increase of loans and foreign direct investment in Uganda of US\$535.5 million and US\$222.1 million respectively. The impact of these increases was however, partly offset by the increase in the stock of reserve assets of US\$232.0 million.

In regard to liabilities, Uganda's stock of liabilities as at year end 2004 amounted to US\$6,860.2 million up from US\$6,123.4 million as at year end 2003. Of total liabilities, the stock of foreign direct investment in Uganda amounted to US\$1,571.1 million accounting for 23 percent of total liabilities. Direct investment stock was dominated by equity and reinvested earnings accounting for 75 percent of the total as at year end 2004 compared to 74 percent the previous year.



Portfolio investment liabilities to non-residents amounted to US\$11.1 million with the bulk (US\$10.5 million) in form of debt securities. Compared to the previous year, the stock of portfolio liabilities declined by about a half from US\$22.4 million as at year-end 2003. The decline in the stock of portfolio liabilities was mainly attributed to the non-rollover of the maturing securities on account of the decline in the interest rates of these securities. The largest composition of portfolio investment liabilities was in form of treasury securities which amounted to US\$10.5 million comprised of both bonds and bills unlike in the previous year (2003) when all treasury securities held by non-residents were in form of only bills. This development followed the introduction of the Treasury bonds in 2004.

The bulk of the liabilities to non-residents however, were in the form of other investments amounting to US\$5,278.0 million or 77 percent of the total. Most of the liabilities to non-residents in form of other investments were loans amounting to US\$5,208.6 million comprised of US\$285.2 million owed by the monetary authority, US\$4,753.8 million owed by government and US\$169.7 million owed by the private sector.

The stock of assets amounted to US\$1,728.7 million held by residents up from US\$1,464.2 million as at the previous year's end. Most of the assets were in form of reserve assets amounting to US\$1,307.4 million and currencies and deposits of banks amounting to US\$410.2 million having increased from US\$1,075.5 million and US\$362.2 million as at end year 2003 respectively. There were no estimates for foreign direct investment abroad and portfolio investment assets. Table 18 below shows the composition of the international investment position as at end 2003 and 2004.



**Table 18: International Investment Position: Assets and Liabilities (End year figures in US\$ millions)**

<b>Period</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>
International Investment Position, net	-4,142.3	-4,659.2	-5,131.5
Assets	1,171.1	1,464.2	1,728.7
Direct investment abroad	0.0	0.0	0.0
Equity capital and reinvested earnings	0.0	0.0	0.0
Other capital	0.0	0.0	0.0
Financial derivatives, net	0.0	0.0	0.0
Portfolio investment	0.0	0.0	0.0
Equity securities	0.0	0.0	0.0
Debt securities	0.0	0.0	0.0
Bonds and notes	0.0	0.0	0.0
Money-market instruments	0.0	0.0	0.0
Financial derivatives	0.0	0.0	0.0
Other investment	240.1	388.7	421.3
Trade credits	0.0	0.0	0.0
Loans	0.0	0.5	1.0
Currency and deposits	240.1	388.2	419.3
Other assets	0.0	0.0	1.1
Reserve assets	931.1	1,075.5	1,307.4
Other claims			
Liabilities	5,313.5	6,123.4	6,860.2
Direct investment in reporting economy	1,146.9	1,349.1	1,571.2
Equity capital and reinvested earnings	842.0	996.0	1,182.6
Other capital	304.9	353.1	388.5
Financial derivatives	0.0	0.0	0.1
Portfolio investment	0.0	22.4	11.1
Equity securities	0.0	0.0	0.6
Debt securities	0.0	22.4	10.5
Bonds and notes	0.0	0.0	0.7
Money-market instruments	0.0	22.4	9.7
Financial derivatives	0.0	0.0	0.0
Other investment	4,166.5	4,751.8	5,278.0
Trade credits	0.0	0.0	0.0
Loans	4,105.8	4,672.9	5,208.6
Currency and deposits	60.7	64.9	65.1
Other liabilities	0.0	14.1	4.3

Source: Bank of Uganda





## 6.0 REAL SECTOR DEVELOPMENTS

### 6.1 Economic growth

The overall performance of the economy, as measured by real Gross Domestic Product (GDP) at market prices, grew by 5.8 percent for the financial 2004/05. The growth of the economy was mainly on account of the strong performance of the industrial sector and recovery in the agricultural sector mainly due to the good performance of the cash crop sub-sector. Total nominal GDP was estimated at Shs. 15,134.3 billion and this translated into a per capita income of Shs. 565,908 equivalent to about US\$324 at the average 2004/05 exchange rate. The growth in GDP during the financial year under review was slightly lower than in the previous year when a growth rate of 5.9 percent was recorded. Table 19 below provides the percentage growth rates by sector in real terms for the fiscal years 2000/01 to 2004/05.

**Table 19: Percentage growth rates by sector in real terms**

Sector	Fiscal Years				
	2000/01	2001/02	2002/03	2003/04	2004/05
Agriculture	4.53	5.65	3.92	1.59	3.04
Mining and quarrying	10.15	11.04	1.20	5.44	16.93
Manufacturing	8.90	5.29	4.25	4.51	6.74
Electricity and water	8.18	5.40	4.58	6.63	5.99
Construction	1.27	13.41	11.60	13.80	12.27
Wholesale and retail	6.51	6.21	4.57	3.90	4.33
Hotels and restaurants	7.09	18.09	7.47	19.08	9.82
Transport and communications	9.63	12.35	16.76	19.90	17.87
Community services	2.42	7.01	2.66	5.46	4.74
Owner occupied dwellings	8.00	7.00	6.50	6.00	6.00
<b>Total GDP</b>	<b>5.08</b>	<b>6.43</b>	<b>4.51</b>	<b>5.95</b>	<b>5.87</b>
<b>Per Capita GDP</b>	<b>1.52</b>	<b>2.91</b>	<b>1.15</b>	<b>2.16</b>	<b>2.15</b>

SOURCE: UGANDA BUREAU OF STATISTICS

#### 6.1.1 Agriculture

The share of the sector in GDP has been declining consistently, partly due to a slower growth of the sector relative to other sectors and partly as a consequence of the process of structural transformation. Overall, the growth rate of agricultural output in 2004/05 was 3.0 percent as compared to a growth rate of 1.6 percent in the previous year. The growth in the sector was on account of cash crops that grew by 4.8 percent, which was higher than 4.5 percent of the previous year. The growth rate of food crops remained flat over the last two years at 1.7 percent.

The slower rate of growth of agricultural output during the year was due to



poor and erratic rains during the first season of 2004 that affected food crop production. The drought caused scarcity of seeds and planting materials, especially cassava cuttings, sweet potatoes cuttings, and vines, hence limiting the planting of crops in some districts during the second season. In addition, at the beginning of the first half of 2005, there was drought in the northern region, late rains in the Busoga and Karamoja regions, and rainstorms in the western region that destroyed banana plantations. This was aggravated by other factors such as poor soils as well as pests and disease attacks especially the Bacterial Banana Wilt (BBW).

Although the real growth rate of this sector was estimated to have improved over its performance in the previous year and represented a welcome recovery from a declining trend that had been registered since 1998/99, this still was a much lower growth rate compared to the other sectors such as formal manufacturing, and transport communications that registered growth rates of 7.5 percent and 17.9 percent respectively. Since agriculture is an important sector of the economy contributing to 36.3 percent of GDP, a low growth rate slows the overall real GDP growth rate, per capita income growth and poverty reduction.

### ***6.1.3 Wholesale and retail***

Wholesale and retail trade services grew by 4.3 percent in 2004/05 compared to a growth rate of 3.9 percent recorded during the previous year. The higher growth rate was a result of higher trade in domestic manufactured products and non-oil imports.

### ***6.1.3 Manufacturing***

The manufacturing sector grew by 6.7 percent in 2004/05, higher than the growth rate in the previous year by 2.2 percent. The provisional growth rate of the manufacturing sector during this year was very strong as reflected in the growth of the index of industrial production in the first half of 2004/05. The strong growth during the first half was driven largely by increased output from sugar processing, edible oil, soft drinks, cotton ginning, cement and roofing products. The informal manufacturing sector grew by 2.3 percent during the period under review and recorded a decrease of 0.1 percent from the growth rate registered in the previous year.

### ***6.1.4 Construction***

Monetary construction grew by 12.3 percent in 2004/05 and was slower than the growth rate in the previous year by 1.5 percent. Growth in non-monetary



construction however remained unchanged from the rate in the previous year at 3.4 percent.

### ***6.1.5 Transport and communication***

Transport and communications services were the fastest growing sub-sector in the economy. On an annual basis, these services have recorded growth rates above 15 percent since 2002/03. During the financial year 2004/05, this sector expanded by 17.9 percent as compared to a growth rate of 19.9 percent in the previous year.

The driving force behind the growth in this sector was the rapid growth of in the post & telecommunications sub-sector of 36.1 percent mainly on account of expansion in mobile phone subscribers from 987,456 in June 2004 to 1,405,395 as at June 2005. Air & support transport services grew by 13.1 percent in 2004/05.



**Reports & Financial Statements for the Year Ended 30 June 2005  
Together with the Report and Opinion thereon of the Auditor  
General**



**Bank of Uganda**

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## 7.0 REGISTERED ADDRESSES

### PRINCIPAL PLACE OF BUSINESS & REGISTERED OFFICE

Plot 37/43  
Kampala Road  
P O Box 7120  
Kampala

### SOLICITORS

Mugerwa & Masembe Co. Advocates  
P O Box 7166  
Kampala

### SECRETARY

Mrs. J. Kahirimbanyi  
P O Box 7120  
Kampala

### AUDITORS

The Auditor General  
Office of the Auditor General  
Finance Building  
Apollo Kaggwa Road  
P O Box 7083  
Kampala

### DELEGATED AUDITORS

PricewaterhouseCoopers  
Certified Public Accountants  
Communications House  
1 Colville Street  
P O Box 882  
Kampala



Mr Emmanuel Tumusiime-Mutebile  
Governor Bank of Uganda



## 7.1 GOVERNOR'S REPORT

During the FY 2004/05 the Bank of Uganda's (the Bank) policies and operations remained firmly geared to the achievement of its core functions of price stability and a sound financial system. The country's key macroeconomic objectives for the fiscal year included attaining real GDP growth of 6.0 percent, low and stable inflation averaging 6.0 percent for headline inflation and 4.0 percent for underlying inflation. The targets were pursued in a macroeconomic framework aimed at economic sustainability and policy consistency between the Bank of Uganda and the Ministry of Finance, Planning and Economic Development (MOFPED). Financial sector policies pursued during the financial year aimed at strengthening financial intermediation and developing the national payments system.

Monetary and fiscal policies were broadly consistent during the financial year 2004/05. Domestic securities and foreign exchange sales were used to manage shilling liquidity. Vertical Repos were actively used for flexible short-term liquidity management. A comprehensive debt management strategy aimed at enabling the central bank to reduce the relative interest cost on government securities was initiated during the fiscal year 2004/05. The Bank reduced the sales of foreign exchange as a liquidity sterilization tool, amidst strong appreciation pressures in the foreign exchange market and this resulted into increased issuance of domestic securities. The Bank's actions were consistent with liquidity management aimed at ensuring low and stable inflation but mindful of the stability in both the domestic securities and foreign exchange markets.

In the fiscal year 2004/05, average headline inflation rose to 7.3 percent from 5.0 percent recorded in 2003/04 mainly because of exogenous factors including a severe drought experienced in the first half of the year, which pushed up food prices and higher world oil prices in the second half, which drove up transportation and communication costs significantly. Underlying inflation remained stable for most of the financial year, recording an average of 4.7 percent, down from a fiscal year average of 5.0 percent in fiscal year 2003/04. Costly energy exerted the most significant upward pressure on underlying inflation during the financial year.

Improved liquidity management through appropriate instrument mix significantly contributed to the stability that was observed in both the domestic securities and the foreign exchange markets. The 91-day Treasury bill interest rate was generally stable, closing at 8.8 percent in FY 2004/05, from the previous fiscal year's closing level of 6.4 percent. Treasury bills holdings fell by 8.6 percent from Shs. 1,248.0 billion in June 2004 to Shs. 1,140.5 billion in June 2005, as Treasury bonds played a relatively greater role in liquidity management. The commercial banks' prime lending rates ranged from 16.0 to 21.0 percent as at end-June 2005. In the inter-bank foreign exchange market the shilling appreciated against the



dollar by 4.4 percent from Shs. 1,818.7 per US\$ in June 2004 to Shs. 1,738.3 per US\$ in June 2005. Similarly, the nominal effective exchange rate and real effective exchange rate (2000=100) appreciated by 5.2 percent from 117.1 to 111.1, and 9.4 percent from 118.0 to 107.0, in June 2004 compared to June 2005, respectively. The process of transferring Government project accounts to the Bank on a phased basis was embarked on during 2004/5. The shifting of Government project accounts was expected to improve macroeconomic management by helping to reduce exchange rate volatility, as the Bank would be able to manage the sales of foreign exchange in a phased manner.

During 2004/05, the overall balance of payments position improved mainly due to a 57.6 percent increase in the capital and financial account balance from US\$ 310.6 million in 2003/04 to US\$ 489.4 million in 2004/05. The foreign reserves at BOU increased largely on account of higher than expected aid disbursements, and the lower sales of foreign exchange by the central bank in the inter-bank market. By June 2005, BOU's foreign reserves were estimated to cover 6.1 months of imports of goods and services. Since 2001, three Private Sector Investment surveys have been completed, with the results of the on going one slated to be published in March 2006. These surveys have been carried out by BOU in conjunction with Uganda Investment Authority (UIA) and the Uganda Bureau of Statistics (UBOS). The information obtained has been extremely useful and enabled government to identify the constraints that private investors encounter. The survey results will assist government to draw appropriate policy strategies in promoting the private sector. In addition, the surveys have helped to fill the information gaps following the liberalization of the capital account; yielded benefits to monetary policy management and improved the compilation and reliability of the Balance of Payments and International Investment Position of Uganda.

The performance of the financial sector continued to improve during 2004/05, with private sector credit expanding by about 17 percent. The trade and other services sector continued to receive the greatest share of credit, accounting for more than half of total credit, while growth of credit to the agricultural sector remains stunted. The latter development further points out the need for the concerned stakeholders to address the risks and uncertainties responsible for the low credit extension to this otherwise important economic sector. Public confidence in the financial sector continued to grow as indicated by increased customer deposits and growth in commercial banks' assets. All banks fulfilled the Financial Institutions Act 2004 capital adequacy requirements. Prudential risk management and aggressive loan recovery efforts led to a substantial reduction in the ratio of non-performing assets to total advances, to 2.9 percent in March 2005, down from 6.6 percent in March 2004.

Implementation efforts on the Microfinance Deposit Taking Institution Act 2003 continued in the year 2004/5 and by June 30, 2005, the Bank had licensed three microfinance deposit-taking institutions under this Act. The Foreign Exchange





Act 2004 is expected to promote the increased use of formal funds transfer systems while legalizing the liberalization of foreign exchange transactions. The implementing regulation for the Foreign Exchange Act 2004 is in the process of being gazetted. Furthermore the cabinet of the Government of Uganda approved the draft Anti-Money Laundering (AML) bill in January 2005 and is due to be tabled before Parliament. The AML bill proposes to bring into existence a Financial Intelligence Authority to co-ordinate policy and efforts to counter money-laundering activities. The bill will also bring into existence the Anti-Money Laundering Board, which will oversee the national strategy on anti-money laundering initiatives.

A number of financial sector development programs were initiated to modernize the National Payments System. These included the Real Time Gross Settlements (RTGS) system, the Electronic Cheque Clearing System (ECS), the Electronic Funds Transfer (EFT) system, and the National Electronic Switch. These products are expected to improve security of transactions and enhance efficiency and productivity of the financial system.

Development finance funds channelled through the Bank provided a source of term investment credit for the private sector in fiscal year 2004/05 and facilitated institutional capacity building in the participating financial institutions. In addition, training and logistical support provided to micro finance institutions created critical rural financial services awareness. It is expected that these measures, together with other reforms, will enhance access to credit and reduce intermediation costs in the economy within the medium term.

Regarding the outlook for 2005/06, real GDP is projected to expand by 6.7 percent and inflation is projected at no more than 5 per cent. In support of the expansion of the real sector, the Bank and the fiscal authority are committed to the pursuance of price stability, fiscal consolidation and external sector viability. Consistent with these macroeconomic objectives, velocity of money is envisaged to decline by 1.1 percent while broad money, M2, is expected to grow by 13.4 percent. Base money is set to grow by 12.6 percent mainly driven by currency issues that are forecast to account for over 73.0 percent of total base money.

Within the above outlook, the Bank shall remain committed to coordination with the Ministry of Finance, Planning and Economic Development to deliver a stable macroeconomic environment that is supportive to increased productivity and robust economic growth.

Emmanuel Tumusiime-Mutebile  
**GOVERNOR**

27 September 2005



## 7.2 BOARD OF DIRECTORS



**Mr. Emmanuel Tumusiime-Mutebile**

Governor  
 Chairman of the Board  
 Chairman of the Executive Committee  
 Chairman of the Payment System Policy Committee  
 Chairman of the Finance Committee  
 Chairman of the Monetary Credit and Policy Committee  
 Chairman of the Board of Trustees of BOU Retirement Benefits Scheme  
 Chairman of the Foreign Exchange Reserve Management Policy Committee



**Dr. Louis A Kasekende**

Deputy Governor.  
 Deputy Chairman of the Board.  
 Deputy Chairman of the Board of Trustees of BOU Retirement Benefits Scheme  
 Chairman of the Staffing Committee  
 Member of Works Committee of the Board  
 Member of Finance Committee of the Board  
 Deputy Chairman of the Foreign Exchange Reserve Management Policy Committee  
 Chairman of IT Committee  
 Chairman of the Risk Management committee  
 Chairman of the Procurement and Disposal Committee



**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.



**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



**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.



**Professor Mathew Okai**

Appointed 24 November 2004.  
Vice Chancellor of All Saints University Lango  
Currently attends all the Committees of the Board for purposes of familiarisation until he is appointed to specific Committees.



**Mrs. J. Kahirimbanyi**  
Board Secretary.  
Secretary to;  
Works Committee  
Audit Committee  
Finance Committee and  
Staffing Committee of the Board.



## 7.3 MANAGEMENT STRUCTURE AND FUNCTIONS

Board of Directors



Mr. E. Tumusiime-Mutebile  
Governor



Dr. L.A. Kasekende  
Deputy Governor



Dr. P. Musinguzi  
Economic Advisor to the Governor



Mr. J. Kahenano  
Executive Director  
Administration

Public Relations  
Security  
Corporate  
Services  
Legal Counsel



Mr David G Opiokello  
Executive Director  
Finance

Accounts  
Management Information  
Systems  
Development Finance  
National Payments Systems  
Secretariat



Mr. J. Wanderema  
- Nangai  
Executive Director  
Operations

Banking  
Currency  
Domestic Financial  
Markets  
External Operations



Dr. M.Atingi-Ego  
Executive Director  
Research

Research  
Trade and External  
Debt



Mrs Ruth Emunu  
Executive  
Director  
Bank Supervision

Commercial  
Banking  
Non Banking  
Financial  
Institutions

Board Secretariat



Mr. S Turyahikayo  
Chief Internal  
Auditor

Internal Audit



## 7.4 MANAGEMENT OF THE BANK

### EXECUTIVE MANAGEMENT

Governor

Mr. Emmanuel Tumusiime-Mutebile

Deputy Governor

Dr Louis A Kasekende\*

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

Appointed by the President of Uganda.

#### Executive Directors

Mr. Joram Kahenano  
 Mrs Ruth Emunu  
 Mr. Stephen Turyahikayo  
 Mr David G Opiokello\*  
 Mr. Jonathan Wanderema - Nangai  
 Dr. Michael Ating-Ego  
 Dr. Polycarp Musinguzi

#### Function

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

### SENIOR MANAGEMENT

Director/Head of Department

Mr. Johnson Mubangizi  
 Mr. Stephen Matanda  
 Mrs. Janet Kahirimbanyi  
 Mr. Patrick Ben Kagoro  
 Mrs. Justine Bagyenda  
 Dr. Henry Opondo  
 Mr. Patrick Byabakama Kaberenge  
 Mrs. Naomi Nasasira  
 Mr. Wasswa Kajubi

Department

Administrative Services  
 Banking  
 Board Secretariat  
 Chief Accountant  
 Commercial Banking  
 Corporate Services Office  
 Currency  
 Development Finance  
 Domestic Financial Markets



**\*Note:** The substantive Deputy Governor Dr L.A. Kasekende who had been appointed Executive Director Africa Group I Constituency at the World Bank, Washington resumed duty with effect from 1<sup>st</sup> November 2004 and the Acting Deputy Governor Mr D.G. Opiokello reverted to the position of Executive Director Finance.

Mr. Elias Kasozi	External Operations
Mrs. Eva MweneBirinda	Human Resource
Miss Deborah Kabahweza	Internal Audit
Ms. Margaret K Kasule	Ag. Legal Counsel
Mr. Richard Mayebo	Management Information Systems
Dr. Apollo Kaggwa	Medical
Mr. Elliot Mwebya	National Payments Systems Secretariat
Mr. Anthony Opio	Non Banking Financial Institutions
Mr. Juma Yusuf Walusimbi	Public Relations Office
Dr. David A Kihangire	Research
Mr. Emmanuel Kalule	Security
Dr. E.S.K. Muwanga-Zake	Trade and External Debt

## 7.5 Statement of Vision, Mission and Values

The Bank of Uganda as the Central Bank of the Republic of Uganda has a clearly stated vision, mission and values.

### 7.5.1 *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'

### 7.5.2 *Mission*

'To foster price stability and a sound financial system'

### 7.5.3 *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.

## **7.6 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 2005, the paid up capital of the Bank was 20 billion shillings.

### **(c)General Reserve Fund**

Section 16 subsection 1 of the 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.

### **(d)Distribution of the Bank net Profits and Losses**

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

- i. The net Surplus or deficit 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.



## 7.7 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 sections 8 and 11 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;
- iii) formulate the policies of the Bank;
- iv) do anything required to be done by the Bank under the Statute; and
- v) 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.



### **i) 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.

### **ii) 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.

### **iii) 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.

### **iv) 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. Indeed during the year the committee held six meetings. 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. In addition the activities are also aimed at providing assurance to the efficiency and effectiveness in utilising Bank resources. 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. During the year the Committee transacted business relating to external and IT matters including Audit workplans, audit scope, fees, reappointment and recommendations. The committee also reviewed matters relating to Internal Audit including workplans, audit scope, quarterly reports audit recommendations and the Internal Audit manual.

### **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) The Strategic Planning Committee**

The Strategic Planning Committee's main objective is to formulate Bank of Uganda's strategic Plans by integrating short/medium and long term goals for a more effective and efficient delivery of its Mission. It formulates required action plans, monitors the implementation of these plans and evaluates results to modify the plans where necessary. Much of its work is executed in relevant Sub-Committees that handle major goals that have been approved for implementation. The current five-year Strategic Plan was implemented with effect from July 2003 and is due for mid-term review in 2005/6. The membership of the Committee consists of the Deputy Governor, as Chairman, all Executive Directors, the Board Secretary, Legal Counsel and the Director Corporate Services Office as Secretary.

#### **(c) 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 and 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 forum.

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

#### **(d) Procurement and Disposal Committee**

The Procurement and Disposal 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. The committee also disposes of Bank assets in accordance with bank policy.

#### **(e) 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.

#### **(f) Project Management Committee**

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.

#### **(g) Risk Management Committee**

The Risk Management Committee membership is composed of the Deputy Governor as Chairman with Executive Directors, Board Secretary and Business Continuity and Risk Management Officer (who also doubles as Secretary) as members. The Committee is charged with the task of developing the BOU Risk Management Programme incorporating the identification of risk exposure and prioritizing them, defining strategies for managing and controlling the risks and communicating the risk management plan to staff. The Committee is also responsible for the formulation and rehearsal of business continuity plans at the Bank as well as monitoring and evaluating the Information Security Policy awareness and programme and Risk Management Policy implementation.

#### **(h) 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.

#### **(i) The Foreign Exchange Reserve Management Policy Committee**

The Foreign Exchange Reserve Management Policy Committee's main role is to oversee the implementation of policies and strategies approved by the Board for Foreign Exchange Reserves Management and review outcome reports. Its membership consists of the Governor as chairman with Deputy Governor serving as alternate chairman; Executive Directors of Research, Operations, Finance and Supervision functions; the economic Advisor to Governor and the Director External Operations who also is the Committee's secretary.

### **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 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. The website has been re-designed and an upgraded one is due to be launched in the new year.

## 7.8 Risk management statement

The Board of Directors acknowledges its ultimate responsibility for risk management at the Bank. The Board discharges the responsibility by setting up policies, procedures, guidelines and organizational structures to manage risks. The existing risk management policy stipulates that the Bank will systematically and continuously manage risks in its operating environment in order to ensure attainment of its strategic and operational objectives.

The Bank's Risk Management Framework provides the basic domains and organization structure for risk management at the Bank. Specific guidelines are given covering the risk assessment process, control activities, information and communication, and risk monitoring and evaluation.

During the financial year under review, the Bank continued to identify, assess and document all the risks obtaining in its operating environment. A Bank-wide risk profile has been compiled to document risks existing in all of the key activities of the Bank. The ten key risk types, which the Bank has identified, assessed and managed, are as defined below.

### (i) Operation Risk

This is the risk of a loss arising from inadequate or failed internal control processes, people and systems or from external events and/or unforeseen catastrophes.

This is the most prevalent risk and pervades all the Bank departments and operating units with the highest concentration in Banking, External Operations, Domestic Financial Markets, Accounts, Currency, and Medical departments.

The Bank addresses this risk through institution of appropriate internal controls, internal audit processes, and management oversight supported by the current level of information technology at the Bank.

### (ii) Reputation Risk

This is the risk that the reputation of the Bank may be negatively affected by inappropriate management action, system failure or release of sensitive information to unauthorized persons or the public.

The risk exists in seventeen of the twenty-one operating departments and/or units with Public Relations, Currency, National Payment System, Banking, Trade and External Debt and Research departments bearing the highest incidences.



The Bank manages the risk by ensuring that there is transparency in handling the monetary policy and by ensuring all stakeholders are given appropriate timely information. The Public Relations office is provided with sufficient information to disseminate to the public.

**(iii) Custodial Risk**

This is the risk that the Bank custodians would not deliver when required to do so or when the Bank could incur a loss in discharging its custodial responsibilities.

The risk exists in Banking, External Operations and Trade and External Debt departments and Board Secretary's office.

The risk is managed through Board approved performance benchmarks, management oversight, and provision of performance reports and adherence to standards and best practices.

**(iv) Legal Risk**

This is the risk that 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, Accounts, Management Information Systems, Human Resource, Board Secretariat and National Payment Systems areas of operation. The risk is managed by ensuring compliance with statutory and regulatory requirements and by recruitment and retention of qualified legal staff to draft or peruse through contracts and advise the Bank accordingly. External legal consultants are also retained for opinions on a number of issues with high potential for reputational risk.

**(v) Currency Risk**

Currency risk (or foreign exchange risk) refers to the loss of the portfolio value or purchasing power due to adverse exchange rate movements.

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 hedged against adverse movements in exchange rates.

**(vi) Liquidity Risk**

This is the risk of being unable to meet financial commitments at the correct time, place and currency without having to liquidate large amounts of assets quickly even when market conditions may not be favorable.

The risk exists in external operations as is managed by observing Board approved benchmarks for foreign reserves 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.





#### **(vii) Settlement Risk**

Settlement risk results from failure of counterparty to settle for any reason other than default due to inability to pay.

The risk exists in External Operations Department and is managed by diversification of the investment portfolio and adherence to policy guidelines on counterparty dealing limits.

#### **(viii) Interest Rate Risk**

This refers to the likelihood that interest rate movements may adversely affect the portfolio return.

The risk exists in External Operations Department and is managed by setting and adhering to prudent benchmarks within our investment strategy.

#### **(ix) Credit Risk**

This is the risk of loss due to the inability or unwillingness of a counter-party to meet its contractual obligations. The risk is incurred in External Operations and Development Finance departments as they place investment and/or lend or guarantee exports.

The management of credit risk is in accordance with policies and procedures approved by the Board. The policy covers identification, measurement, control, as well as regular monitoring and reporting of credit risk. The credit risk management policy covers among other things sovereign risk, instrument risk, (quality and type), counter-party risk, (concentration and credit rating) 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.

#### **(x) Business continuity risk**

This is the risk that the Bank will not continue some or all of its operations.

The risk is recognised in all the Bank operations. A business recovery site has been set up and is operational. A site for business resumption was identified and the process of equipping it is on going.

## **7.9 Major operational developments during the Year**

### ***7.9.1 Overview of the monetary policy and the economy***

#### **(a) Monetary policy and inflation**

Monetary policy during the fiscal year 2004/05 remained focused on promoting price stability to support broad macro-economic objectives of attaining real GDP growth of

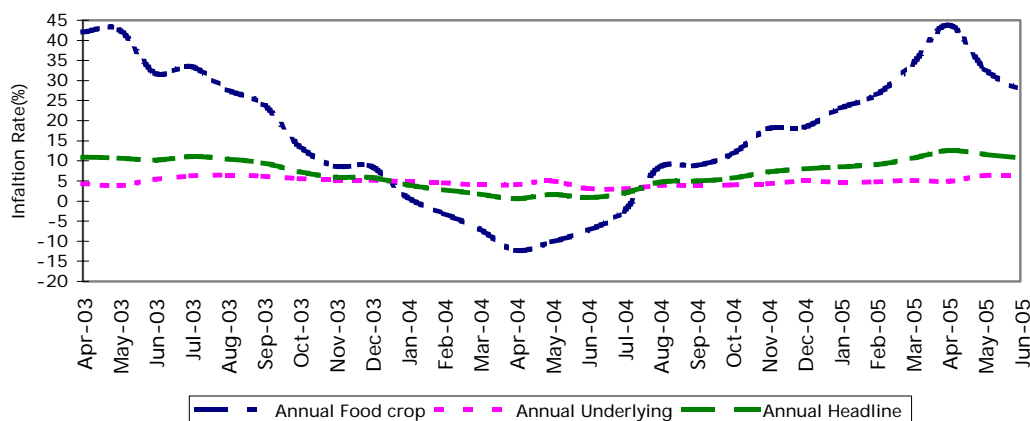


6.0 percent, low and stable inflation averaging 6.0 percent for headline inflation and 4.0 percent for underlying inflation. In this regard, monetary and fiscal policies were coordinated with the broad aim of attaining fiscal consolidation and external current account sustainability objectives in the medium term.

The challenge that remained in the conduct of monetary policy during the greater part of the fiscal year 2004/05 however, was domestic inflationary pressures, dominated by surging food crop prices. Food crop inflation rose to a yearly average of 19.0 percent mainly on account of a severe drought that was experienced in the first half of 2004/05. The drought effects drove up headline inflation to an average of 7.3 percent from 5.0 percent recorded in 2003/04. However, the underlying inflation rate averaged 4.7 percent in 2004/05 down from an average of 5.0 percent recorded in 2003/04. In spite of the upward pressure exerted on prices due to the rise in the energy prices, underlying inflation was only slightly higher than the programmed level of 4.0 percent. Figure 16 shows inflation developments for the April 2003 to June 2005 period.



**Figure 16: Annual inflation rates developments**



Source: Bank of Uganda

The performance of the real sector remained robust with Gross Domestic Product (GDP) expanding by 5.8 percent in 2004/05, a testimony to the fact that the underlying fundamentals were still on track. Indicative monetary aggregates were largely on target. The rate of growth of money supply (M2) increased from 11 percent in 2003/04 to 12.1 percent in 2004/05. Over the same period, the growth rate of money supply (M3) declined from 9.3 percent in 2003/04 to 7.8 percent. Base money grew by 10.4 percent in 2004/05 compared to an increase of 28.4 percent recorded in the previous year. Credit to the private sector grew by about 17.0 percent in 2004/05 compared to a growth rate of 28.4 percent realized in the previous fiscal year.

### (b) Exchange rates

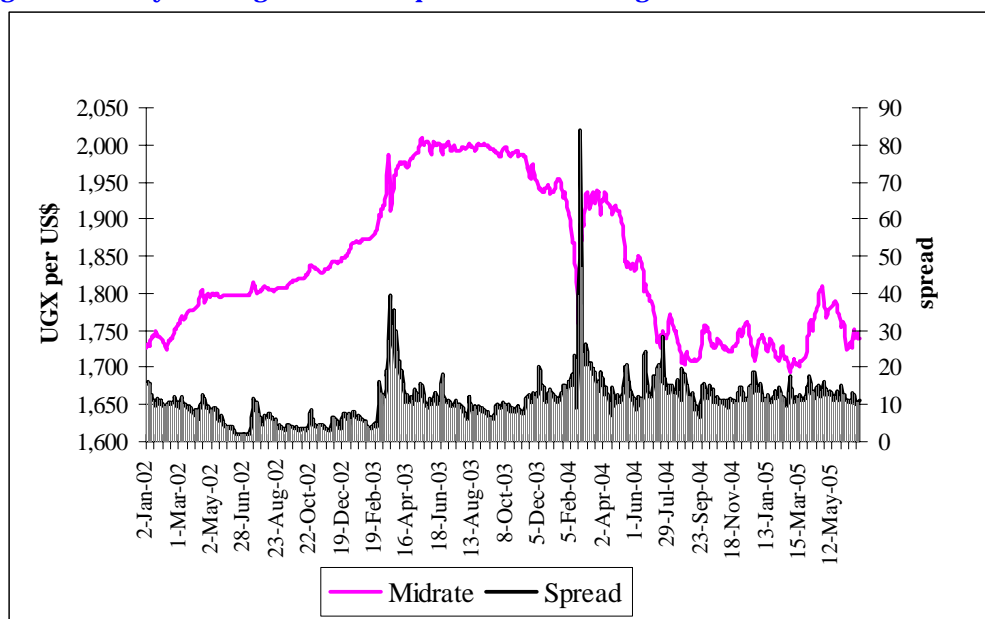
During 2004/05, the Bank scaled down its sales of foreign exchange for purposes of liquidity sterilization given the strong appreciation pressures experienced in the foreign exchange market. The Bank's actions in the foreign exchange market remained consistent with the policy of a market-determined exchange rate, while intervention in the market was only effected to avert undesired volatility. In line with the fundamentals, the shilling appreciated by 4.4 percent against the US dollar from Shs. 1,818.7 in June 2004 to a monthly average of Shs. 1,738.3 in June 2005. The appreciation of the Shilling was largely on account of the improvement in export receipts, substantial private inflows and the weakening of the US dollar against other major currencies observed during the period under review.

The Inter-bank Foreign Exchange Market (IFEM) was relatively stable resulting in a reduced spread between the weighted selling and buying rates, which averaged Shs. 12.6 in the period under review. The Bank reduced its presence in the IFEM under the sterilization strategy to avoid any instability that would have resulted given the appreciation pressures that obtained during the larger part of 2004/05. Net foreign exchange sold by the Bank to the IFEM on account of both sterilization and intervention operations amounted to US\$ 69.3 million compared to US\$ 141.0 million



in 2003/04. Figure 17 shows daily developments in the nominal exchange rate in 2004/05 and the spread between the buy and sell rates.

**Figure 17 : Daily exchange rates and spread of the shilling Jan 2002 to June 2005**



Source: Bank of Uganda

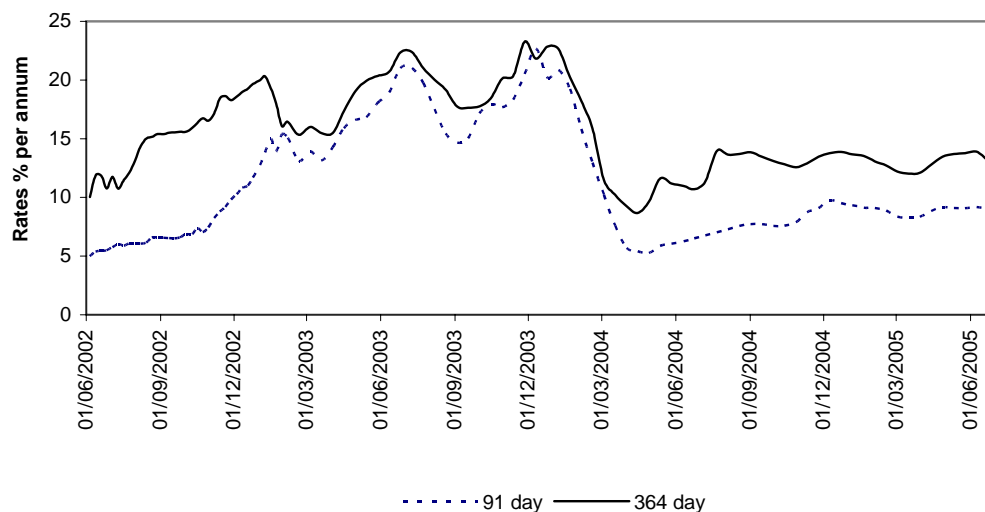
During the fiscal year ended June 2005, the real effective exchange rate on average appreciated by 9.4 percent compared to a depreciation of 9.8 percent recorded in the period ended June 2004. The nominal effective exchange rate (NEER) appreciated by 5.2 percent in 2004/05 compared to the 11 percent depreciation in the preceding period.

### (c) Interest rates

Although interest rates gradually rose during the first half of 2004/05, they generally stabilized during the second half of the year. The monthly average yield-to-maturity rate on the 91-day Treasury bill paper increased from 6.9 percent in July 2004 to 9.6 percent in December 2004 before marginally falling to 9.1 percent in June 2005. The monthly average yield-to-maturity rates on the 364-day paper followed a similar trend, increasing from 12.7 percent in July 2004 to 13.8 percent in December 2004, before registering a slight decline to 13.5 percent in June 2005. Improved liquidity management together with the increased use of the Treasury bond for liquidity management eased the upward pressure on the Treasury bill interest rate and on its reliance as a monetary policy instrument. As a result, outstanding stock of bills dropped by 8.6 percent, from Shs. 1,248.0 billion in June 2004 to Shs. 1,140.5 billion in June 2005. Figure 18 provides the profile of interest rates over the period under review.



**Figure 18: Interest rates on the 91-day and 364-day treasury bills (June. 2002 – June 2005)**



Source: Bank of Uganda

Government Treasury bonds were issued to support monetary policy implementation. The bonds improved liquidity management and promoted market development through the extension that they provided to the maturity of the instruments traded on the one hand and to the yield curve on the other hand. By the end of the financial year, outstanding stock of bonds in tenors of 2, 3, 5, and 10 years amounting to Shs. 530.0 billion had been issued and reopened at yields-to-maturity rates ranging from 13.5 percent to 17.7 percent. The monthly average volume of secondary market trading in both the treasury bond and treasury bill securities stood at Shs. 0.9 billion and Shs. 21.1 billion respectively during 2004/05. Effective March 2005, the Bank discontinued the issue of the 273-day paper in order to enhance the capacity of the Treasury bill to handle more and larger trade volumes in the face of predetermined treasury bill auction volumes that were dictated by the prevailing policy targets.

During 2004/05, government project accounts were transferred to the Bank of Uganda on a phased basis as one of the means to improve macroeconomic management. The shifting of Government project accounts was expected to help reduce exchange rate volatility, as the Bank would be able to manage the sales of foreign exchange in a phased manner. The transfer of government accounts would also assist in the management of base money, as it would reduce the need for the Bank to sell government securities and foreign exchange to meet the inflation objective. In addition pressure on interest rates and the exchange rate would be reduced.

#### **(d) Outlook for 2005/06 Financial Year.**

Real GDP is projected to grow by at least 6.7 percent in 2005/06, reflecting the continued strong performance across most sectors of the economy. The underlying inflation rate is expected to be contained at under 4.2 percent per annum and the current account deficit is projected at 12.9 percent of GDP. Consistent with these macro-economic objectives, velocity of money is envisaged to decline by 1.1 percent in



line with what was observed in the past two years. Broad money, M2 is expected to grow by 13.4 percent while M3 is projected to expand by 13.5 percent. Base money is expected to increase by 12.6 percent mainly driven by currency issues that are projected to rise by 12.1 percent to Shs. 758.4 billion. Currency issues are expected to account for over 73 percent of total base money in 2005/06. On the exchange rate management front, the Bank will continue to follow a flexible exchange rate policy, maintaining orderly conditions in the IFEM without targeting a specific value or trend of the exchange rate.

## **7.9.2 Regulation and supervision**

### **(a) Commercial Banking**

The World Bank's Financial Sector Assessment Programme, which was updated in November 2004 and published in April 2005, reported that Uganda's banking industry was on an upward trend to consolidating financial soundness, stability and increased resilience than in the past. Implementation of prudent and sound risk management policies in supervised financial institutions continues to be evaluated on an ongoing basis during periodic supervision programmes conducted by the Bank in order to enforce compliance with statutory and prudential regulations and guidelines aimed at fostering safety of depositors' funds and soundness and stability of the financial sector as a whole. Consequently, the Bank conducts full scope on-site examinations of all the 15 commercial banks at least once a year through a risk-based supervision methodology. In addition, quarterly off-site analysis of all banks is also conducted. The risk-based supervision methodology has extensively enhanced the assessment of banks' operations and their overall financial performance.

During year under review, the Bank commenced the deployment of the Bank Supervision Application (BSA) following successful deployment in ten (10) other countries in the Eastern and Southern African region. The BSA addresses all the key generic bank supervision functions and consists of the following systems:

- On-site examination;
- Off-site supervision;
- Enforcement action;
- Licensing of banks;
- Managing the supervisory infrastructure.

Since no manual input of data is required, BSA will enable supervisors to spend more time on data analysis as opposed to data preparation. This is an important step in the area of harmonized Banking Supervision and heralds a very significant achievement, being the very first collaborative effort among central banks in the region to develop and deploy a business application. Implementation of electronic submission of statutory returns and electronic input of data will go a long way toward improving surveillance of the financial institutions thereby improving safety of depositors' funds and fostering soundness and stability of the financial sector.



In furtherance of its resolve to sustain the financial sector stability, the Bank has instituted a strict policy of not bailing out insolvent financial institutions. Intervention in any weak financial institution will always be conducted in a timely manner. The Financial Institutions Act 2004 provides for various mandatory Prompt Corrective Actions which the Bank must undertake to correct weaknesses in the financial institutions before they escalate to unacceptable levels.

## **(b) Non-Banking Financial**

### **(i) Credit Institutions**

During the year, six credit institutions were examined. Examination of the seventh credit institution was deferred to the next financial year due to the heavy workload including in-house training in the Bank Supervision Application, and on-site examination of Microfinance institutions, which had applied for MDI licence, during the period under review.

### **(ii) Microfinance Deposit-taking Institutions**

The MDI regulations on Licensing, Asset quality, Capital adequacy, Liquidity and Reporting requirements were gazetted during the year. Three microfinance institutions were licensed. These are FINCA (U) Ltd., Uganda Microfinance Ltd., and Pride Microfinance Ltd. Other microfinance institutions are in the process of transformation.

During the financial year, with assistance from GTZ/FSD and SIDA, consultants were contracted to assist in drafting the MDI Supervision manual. The consultants trained officers from the Department on how to use the manual in the supervision of the MDIs. In the process, the department reviewed the operations of Uganda Microfinance Ltd., Faulu (U) Ltd., Uganda Finance Trust Ltd., and Finca (U) Ltd., with the consultants using the draft manual for the Supervision of Microfinance Deposit-taking Institutions.

### **(iii) Credit Reference Bureaux**

Under the provisions of Section 78 of the Financial Institutions Act 2004, BOU or its appointed agent or any other persons authorised by the Central Bank is required to establish a Credit Reference Bureau (CRB) for the purpose of disseminating Credit information among financial institutions for their business. Similarly, under Section 46 of the Micro Finance Deposit-taking Institutions Act No 3/2003 Microfinance Deposit-taking Institutions are required to report promptly non-performing loans or credit accommodation classified as doubtful or loss in the portfolio, under specified circumstances to the Credit Reference Bureau. During the year 2004/2005, the regulations for licensing credit reference bureaux were submitted to the Solicitor General for gazetting.

### **(iv) Other Non-Banking Financial Institutions**

With the help of Technical assistance a policy paper on the regulatory framework for Non-Banking Financial Institutions other than credit institutions and microfinance



institutions was prepared. These financial institutions include Finance Houses, Discount houses, Building Societies and Acceptance Houses. Terms of Reference for a consultancy on the preparation of regulations for these institutions were also finalised.

#### (v) National Social Security Fund (NSSF)

The Minister of Finance, Planning and Economic Development, (MOFPED) appointed the Bank of Uganda as the regulator and Supervisor of the National Social Security Fund on its behalf pending the establishment of the Social Security and Pension Sector regulator. The appointment took effect on 1<sup>st</sup> January 2005. The Bank carried out a full scope examination of NSSF and the report was forwarded to MOFPED for further action.

### **7.9.3 Developments and Trends in Domestic Financial Markets <sup>7</sup>**

Government securities are issued to meet the following objectives:

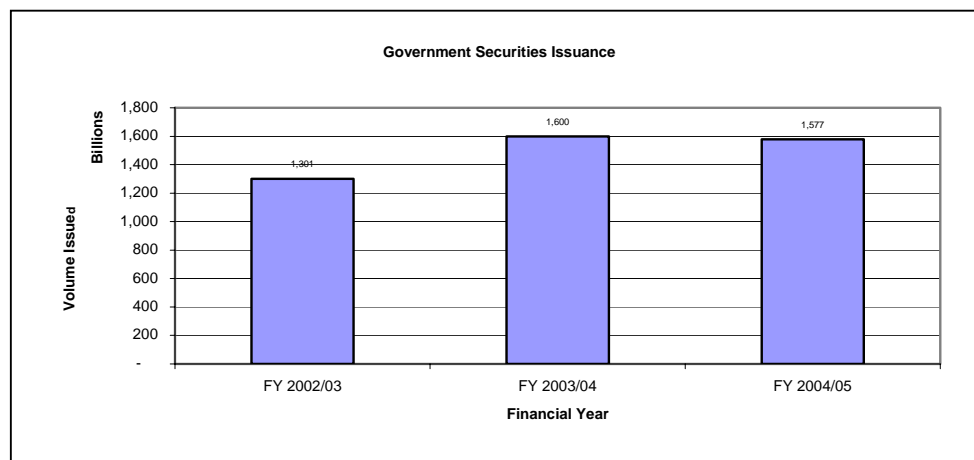
- (i) Conduct open market operations to meet monetary policy objectives.
- (ii) Provide benchmark reference prices from which private sector securities can be priced.
- (iii) Provide the public with safe instruments to mobilize savings.

#### **(a) Primary Market for Treasury Securities (Treasury bills and Treasury bonds)**

The volume of Treasury securities issued in 2004/05 fell by 1.42 percent when compared with the volume of Treasury securities issued in 2003/04. Volumes issued moved from Shs. 1.599 trillion in 2003/04 to Shs. 1.577 trillion in 2004/05.

The tendency of the shilling to depreciate against the US dollar allowed for higher levels of liquidity to be sterilized through the sale of foreign exchange than through the sale of Treasury securities.

**Figure 19: Shilling Volume of Treasury Securities Issued during FY 2002/03, 2003/04 and 2004/05**



Source: Bank of Uganda

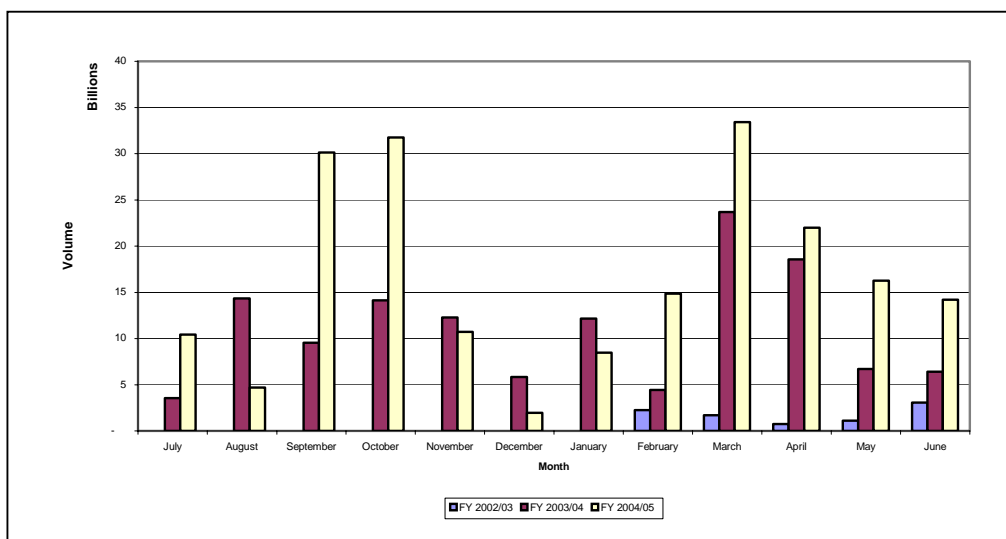
<sup>7</sup> The Domestic Financial Markets for this annual statement is defined as the primary and secondary markets for Treasury securities, the market for the Repurchase Agreements (REPOs) and the Shilling Inter-bank market





The introduction of Government Treasury bonds enabled the Bank to mop up liquidity over much longer periods than the previous limit of the 364-day Treasury bills. This reduced the burden of open market operations (OMO) from the short-end of the market and resulted in lowering interest rates as reflected in the Yield Curve depicted in Figure 20 below.

**Figure 20: Yield curves as at June 30, 2003, June 30, 2004, and June 30, 2005**

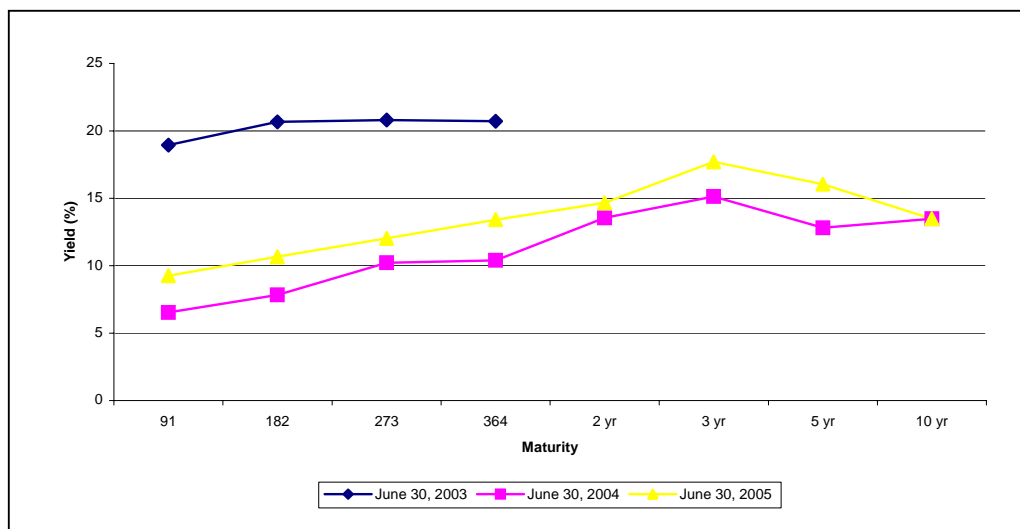


Source: Bank of Uganda

### **(b) The Secondary Market for Government Securities**

The Shilling volume of secondary market trading increased by 51.08 percent in FY 2004/05. The volumes traded increased from Shs. 131.6 billion in FY 2003/04 to Shs. 198.9 billion in 2004/05. Figure 21 shows the developments

**Figure 21: Shilling volume of Secondary Market trades**



Source: Bank of Uganda

However, the number of trades declined by 15.4 percent from 442 trades in 2003/04 to 374 trades in 2004/05. This reduction in trades is explained by the fact that the average size of the trades increased by 78.6 percent moving from Shs. 274 million in 2003/04 to Shs. 531 million in 2004/05. The larger size of trades is an indication of a deepening market where commercial banks and other market participants are starting to manage their liquidity needs more through the trading of Treasury securities.

### (c) The Primary Dealers System

The increase in trading of Treasury securities in 2004/05 was mostly explained by the higher level of visibility of Primary dealer in the market as a less costly source of liquidity than the Re-discount window that can only be accessed at the highly punitive discount rate.

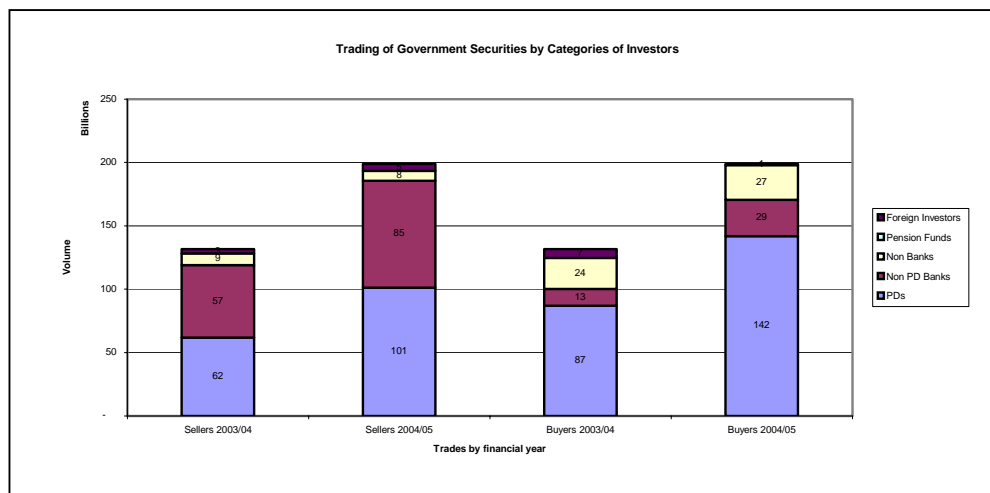
In January 2005, the Bank initiated the “**Award to the Best Performing Primary Dealer in Uganda Government Securities for the Month**”. This award has been very successful in motivating the Primary dealers to be more active in the primary market auctions of Treasury securities and Repurchase agreements (Repos), posting to the public prices and yields of Treasury securities, participating in secondary market trades and the transmittal of information pertaining to the status of the financial markets to the Central Bank in a timely manner. The points allocated for the Award to the Best Performing Primary Dealer in Uganda Government Securities for the Month will be aggregated to determine the winner of the prestigious “**Award for the Best Performing Primary Dealer in Uganda Government Securities for the Year 2005**”.

During 2004/05, primary dealers accounted for 71.3 percent of all Treasury securities bought compared to 66.1 percent in 2003/04. The volume of Treasury securities bought by the non-primary dealer commercial banks also increased dramatically by 117 percent in the 2004/5. The purchase of Treasury securities in the secondary market by the pension industry reduced by 31.81 percent from Shs. 80.8 million in 2003/04 to Shs. 55.1 million in 2004/05. This is explained by their dominant presence in the



primary market auctions of the recently introduced Treasury bonds. Rising interest rates in Kenya and fear of the Uganda Shilling depreciating caused the foreign investors to reduce their trading purchases from Shs. 6.8 billion in 2003/04 to only Shs. 0.933 billion in 2004/05, a reduction of 86.32 percent.

**Figure 22: Volume of Government Securities traded in the Secondary Market**



Source: Bank of Uganda

On the selling side, the primary dealers increased their sales from Shs. 61.7 billion in 2003/04 to Shs. 101.1 billion in 2004/05. Non-primary dealer commercial banks increased their sales volume from Shs. 57.4 billion in 2003/04 to Shs. 84.5 billion in 2004/05, an increase of 47.4 percent. The foreign investors, prompted by the recovery of interest rates in Kenya and fears of the Uganda shilling depreciating, exited the market by increasing their sales of Treasury securities by 64.4 percent from Shs. 3.3 billion in 2003/04 to Shs. 5.4 billion in 2004/05.

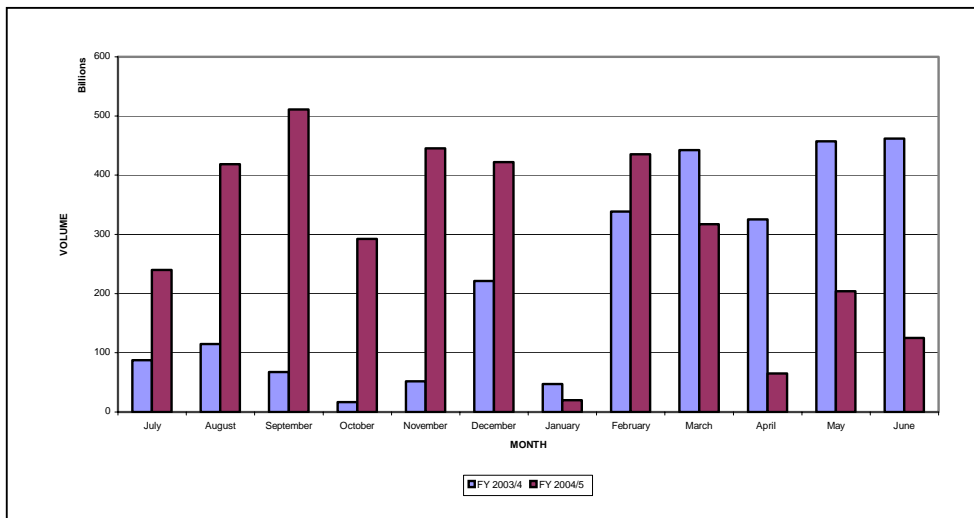
#### **(d) The Market for Repurchase (Repo) Agreements**

The Shilling volumes in the Vertical Repo market increased by 32.8 percent and moved from Shs. 2.6 trillion in 2003/04 to Shs. 3.5 trillion in 2004/05.

For the month of July, 2004 and February, 2005, appreciation pressures limited sterilization of excess liquidity through the sale of foreign exchange. This required using the Repo to temporarily hold excess liquidity until the next auction of Treasury securities. In the period from March, 2005 through June, 2005 activity in the Repo markets declined because the offers of Treasury securities and sales of foreign exchange were sufficient to mop up the excess liquidity.



**Figure 23: Shilling volumes in the Vertical Repurchase Agreement ( Repo) Market**

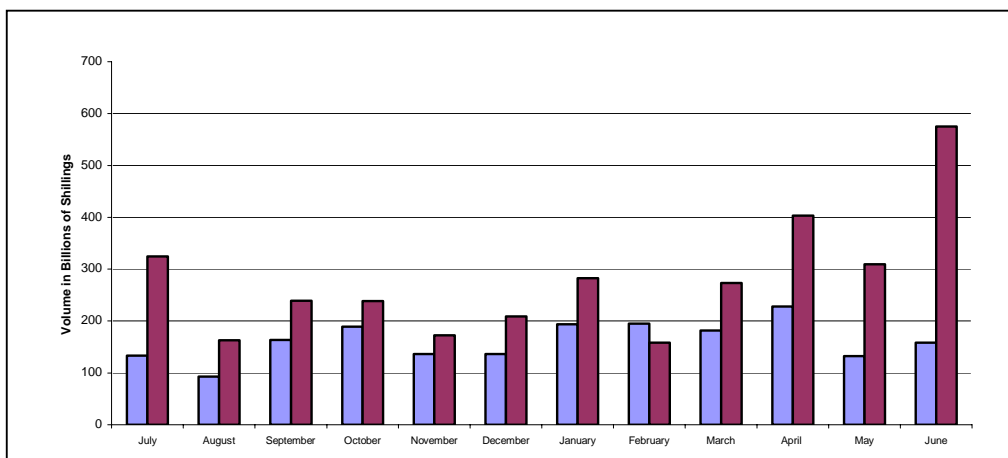


Source: Bank of Uganda

**(e) The Shilling Inter-bank Market**

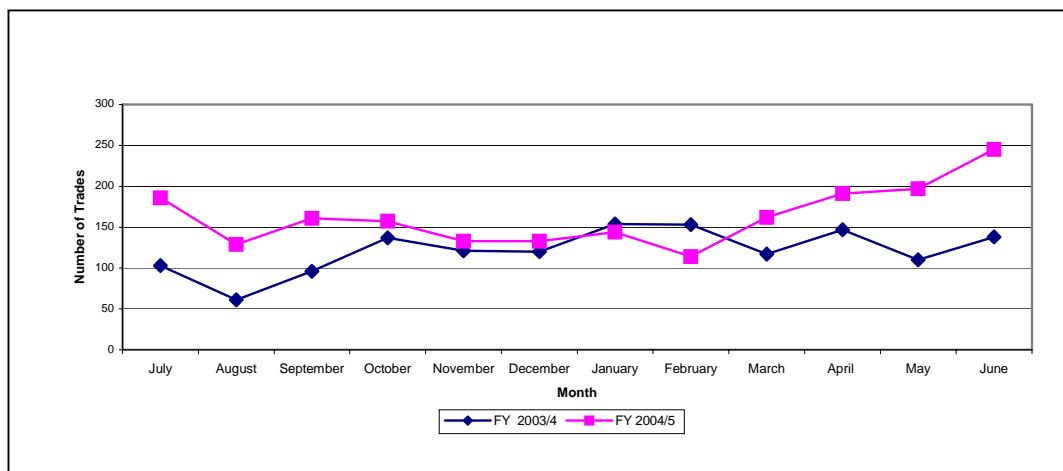
The requirement that bids for the Repo auctions be channelled through primary dealers stimulated the level of activity in the inter-bank market as non-primary dealer commercial banks made inter-bank placements with the primary dealers in order to participate in Repos. The Shilling volume of trades in the inter-bank market increased by 72.5percent from Shs. 1.9 trillion in 2003/04 to Shs. 3.4 trillion in 2004/05. The number of trades increased by 34.0 percent from 1,457 trades to 1,952 trades.

**Figure 24: Shilling volumes traded in the in the Inter-bank market**





**Figure 25:** Number of Trades in the Inter-Bank Market



Source: Bank of Uganda

#### *7.9.4 Development in external financial markets and foreign exchange reserve management*

During the year under review, the Bank continued to manage foreign exchange reserves in line with the objective of maximizing return subject to capital preservation and prudent liquidity management. The foreign exchange reserve management policy framework, designed by External Operations Department and approved by the Board, guided these operations. The policy framework that reflected the institutional risk return appetite is periodically revised to address changes in the economic and financial environment as required by sound practices in reserves management.

The Bank continued to manage reserves in two portions: the internally managed and externally managed portfolio, the latter under the discretionary management of two external fund managers contracted in April 1997. Performance measurement, monitoring and evaluation against a customized global bond benchmark and skills enhancement to staff in External Operations Department continued to be the key attributes for assessing the external managers.

With respect to the internally managed portfolio, the challenge was to monitor and deal with the macro economic fundamentals in the global economy (especially G7 countries) and their impact on BOU's investment strategies.



US bond yields rose up sharply at the short end as the Federal Reserve Bank adopted a more hawkish tone towards future rate moves. The trend for the yield curve remained firmly in favour of flattening with the long end almost unchanged for the entire period.

This positively impacted on the performance of the internally managed portfolio, which is entirely a money market portfolio, while it negatively affected the externally managed portfolio.

In a bid to contain the negative impact on the externally managed portfolio, BOU's external fund managers maintained a short duration posture in the US relative to the index, while their exposure in the European bond markets were over weighted to benefit from the ongoing bond market rally.

In another development, Trema (Europe) was declared the winner for the supply of the Foreign Exchange Reserve Management System (FERMS). The implementation process for the system will commence in August 2005 and is expected to greatly improve on the management of foreign exchange reserves especially, the internally managed portfolio.

### **Exchange rates**

During the period under review, the Inter-bank weighted average rate moved from Shs.1,788.8 at the beginning of July 2004 to Shs. 1,740.3 on 30 June 2005, an appreciation of Shs.48.5 or 2.7 percent.

Appreciation pressures were largely on account of improved inflows from, donors, NGO's, offshore market players and cautious trading on the part of corporates. Bank of Uganda's actions in the foreign exchange market were to the tune of US\$109.16M on the sale side against purchases of US\$53.5 million, during the period under review, to stabilize the exchange rate. This translated into a net sale of US\$55.7 million.

## ***7.9.5 Trade and external debt developments***

### **Highlights**

During the period under review, the Foreign Exchange Act 2004 was enacted and the implementing regulation is in the process of being gazetted. The Foreign Private Capital (FPC) flows survey for 2004 covering the period 2001-2003 was done. As a result of the additional information available from the FPC flows survey in 2004, some numbers related to the survey results for 2001 that had earlier been published were revised. In addition, the Private Sector Investment Survey for 2005 was launched. On the external debt front, the Government of Libya accepted to offer Uganda debt relief amounting to 54 percent in Present Value terms of the outstanding loans owed to it.

#### **(a) Private sector capital flows**

##### **(i) Foreign Private Capital (FPC) 2004 Survey**



In conjunction with the Uganda Investment Authority and the Uganda Bureau of Statistics, the Bank in 2004 carried out another survey to monitor FPC for the period 2001-2003. The findings indicate that the total stock of private sector foreign liabilities stood at US\$1,416.5 million and US\$1,383.4 million in 2002 and 2003 respectively. As at the end of 2003, foreign liabilities were mainly on account of Foreign Direct Investment (FDI) amounting to US\$1,170.8.1 million, which represents 84.6 per cent of the total stock of private sector foreign liabilities. This compares to the outstanding stock of US\$1,416.5 million of which FDI amounted US\$1,138.7 million representing 80.4 per cent of the total in 2002. The developments in 2003 show a decrease in the private sector foreign liabilities of 2.3 per cent. As a result of additional information received in the FPC 2004 survey, the total stock of private sector foreign liabilities for 2001 was revised upwards from US\$1,101.6 million to US\$1,205.4 million.

In terms of the FDI components, foreign direct equity investment (FDEI), retained earnings and borrowings from related sources amounted to US\$724.4, US\$51.9 and US\$394.5 million in 2003, which accounts for 52.4, 3.8 and 28.4 per cent of the total stock of private sector foreign liabilities respectively. This compares with US\$753.4, US\$42.1 and US\$343.2 million representing, 53.2, 3.0 and 24.2 per cent of the total stock of private sector foreign liabilities respectively in 2002.

Other findings from the FPC 2004 survey results show that the major sources of private sector foreign liabilities were UK, USA, France, Mauritius and Kenya. These countries accounted for 53.7 per cent of the total foreign private sector liabilities in the year 2003. In sectoral terms, Manufacturing, Finance and Wholesale had 26.7, 19.2, and 17.2 per cent of the total liabilities respectively in 2003. The net overall profit registered was US\$63.0 million and US\$88.5 million for the period 2002 and 2003, respectively. This reflects an increase of US\$25.5 million (40.5 per cent) over the two years.

#### **(ii) Private Sector Investment Survey (PSIS) 2005**

The fourth survey on Private Sector Investment being conducted in conjunction with the Uganda Investment Authority and the Uganda Bureau of Statistics was launched on 28th April 2005 to collect data for the period 2002 to 2004. The survey, targeting 500 enterprises, started on 11th May 2005 with the administration of survey questionnaires and is expected to end January 2006.

#### **(b) Forex bureaux report**

By the end of 2004/2005, there were seventy eight (78) operational bureaux while three (3) bureaux were temporarily closed. Five applications were approved and licensed out of which four commenced operations, while the other requested to commence operations in the month of July 2005. This compares to the period ending 2003/2004, when there were seventy-five (75) operational forex bureaux, four (4) bureaux temporarily closed; while three applicants were licensed.

By the end of June 2004/2005, cumulative bureau transactions amounted to US\$1,077.8 million for purchases and US\$1,088.5 million for sales compared to US\$856.7 million and US\$850.0 million for purchases and sales respectively in 2003/



2004. This was an increase of US\$ 221.2 million or 25.8 percent and US\$238.418 million or 28.0 percent in purchases and sales respectively over this period.

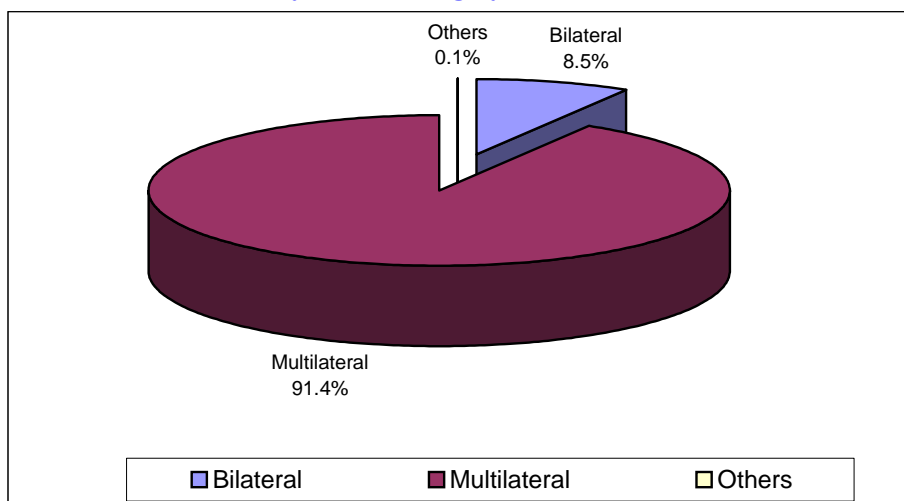
Following the enactment of the Foreign Exchange Act 2004, the implementing regulation is now awaiting gazetting. This law provides for the licensing of the money remittance business that will be done in tiers, and the eligibility criteria for each tier is specified in the law. The law is expected to encourage the increased use of formal Funds Transfer systems through facilitating foreign exchange transfers and remittances that are timely, accessible, cost effective, reliable and transparent. This law does not only enable the BOU to monitor remittances and capture accurate data, but gives more enforcement powers to ensure compliance.

### (c) Stock of Public and Publicly Guaranteed External Debt

Uganda's stock of external debt as at end June 2005 stood at US\$ 4.416 billion<sup>8</sup> representing a decrease of 1.2 percent from the end June 2004 position which was US\$ 4.472 billion<sup>9</sup>. The decrease was attributed to, among others, cancellation of US\$ 88.7 million in accrued interest and penalty interest and a debt equity swap of US\$20.3 million by the government of Libya.

As at June 2005, the multilateral creditors continued to account for the biggest proportion of the outstanding stock of debt amounting to US\$4.035 billion, which represents 91.4 percent of the total debt. This compares to US\$3.721 billion, which was 88.2 percent share in 2003/2004. This is attributed to increased multilateral loan disbursements as compared to other debtors. The major multilateral creditors were IDA (71.3 percent of stock), ADB/F (11.37 percent of stock) and IMF (3.46percent of stock). This category of creditors provides financing on highly concessional terms. The Figure 26 below shows the portfolio of Uganda's external debt by creditor category.

Figure 26: External Debt Stock by creditor category as at end June 2005



Source: Bank of Uganda

<sup>8</sup> This figure is provisional

<sup>9</sup> This is the revised figure from the provisional numbers reported in the 2004 report.





The share of bilateral debt stood at US\$377 million representing 8.5 percent of total debt stock. This was a decline of 16.3percent from US\$ 449.8 million as at 30th June 2004. This decline was mainly attributed to the relief agreements concluded with Libya in June 2005.

#### **(d) External debt service and loan disbursements**

Total cash debt service for the public and publicly guaranteed debt in 2004/2005 amounted to US\$116.4 million of which US\$ 89.8 million was for payment of principal and US\$26.6 million for interest and commission charges. Owing to their high proportion of total debt, IDA, IMF and ADB/ADF accounted for the highest debt service of US\$ 42.6 million, US\$33.9 million and US\$5.5 million respectively. The rest of the other creditors were paid US\$34.5 million during the financial year.

Total loan disbursements in 2004/05 amounted to US\$165.9 million<sup>10</sup>. At 99.1percent the bulk of that amount, came from multilateral creditors. IDA was the major source of funding in the financial year accounting for 76.1 percent of total amount disbursed and was followed by the ADF with 12.1 percent. Other multilateral creditors including IMF, IFAD, EIB, BADEA, Nordic fund and one bilateral creditor - Instituto de Credito Oficial (ICO) contributed up to 10.1percent of total disbursements. ICO (Spain), which disbursed US \$1.4 million, was the only disbursing bilateral creditor in the financial year.

#### **(e) HIPC debt relief delivery**

During 2004/2005, Uganda saved a total of approximately US\$91 million as HIPC debt relief. HIPC relief is delivered through grants to service external debt falling due, outright cancellation of debt maturities due to or through rescheduling. All multilateral creditors except the Organisation for Petroleum Exporting Countries (OPEC) Fund and Preferential Trade Area (PTA) Bank have delivered debt relief. In December 2004, the Parliament of Uganda finally approved OPEC Fund agreement which had been signed in August 2003, but debt relief funds have not been delivered. Total relief of US\$7.4 million in NPV terms is expected to be realized from this OPEC fund arrangement.

#### **(f) Budget support flows**

During 2004/05, donors pledged to disburse US\$531.8 million to support the Government of Uganda budget. Out of this amount, US\$190.3 million was projected to be in form of loans and US\$341.5 million in grants. A total of US\$466.9 million (87.8 percent of the donor pledges) was disbursed. Grants disbursements amounted to US\$460.4 million representing 134.8 percent of the projected amount and only US\$6.5 million coming in form of loans. The grants performance was highly influenced by the conversion of the US\$155 million loan from IDA to a grant disbursement. In addition, the non-disbursement by ADB amounting to US\$30 million contributed to poor performance of the projected loan disbursements.

#### **(g) Trade**

<sup>10</sup> This figure is still provisional. It excludes disbursements from ADF and IFAD for the month of June 2005.



In an attempt to improve trade statistics on regional trade, the Bank in conjunction with the Uganda Bureau of Statistics continued to conduct trade surveys on informal cross border trade with Uganda's neighbours. The survey results in addition to the available trade statistics are expected to contribute to improved trade flows analysis within the East African Community, as regional integration efforts get stronger.

#### **7.9.6 Currency operations**

The Bank meets the legal currency tender needs of the public and ensures that the most convenient and effective denomination mix and good quality notes and coins are available in the economy. These are distributed through eight Currency Centres around the country. In this regard a number of developments were recorded in Currency Operations during 2004/05

In the first place the Bank issued into circulation Shs.1,000, Shs.5000 and Shs.20,000 banknotes with enhanced security features and improved substrates. The upgraded notes will be more durable, cleaner, and less vulnerable to counterfeiting.

Secondly, the Bank recalled the old design of the Shs.10,000 banknotes printed in 1995 and 1998 from circulation and retained issues from 2000 onwards with enhanced features.

Finally, in the area of automation, the department has adapted all the enhanced series of Banknotes to the Bank's currency processing system and is in the process of commencing on line destruction of notes no longer fit for circulation.

#### **7.9.7 Payments system**

In the FY 2004/05, the Bank implemented a large value payment system, technically referred to as a *Real Time Gross Settlement (RTGS) System*. RTGS systems are now universally recognized as critical national economic infrastructure, with significant and positive impact on a country's macro-economic performance. Uganda's RTGS system is called the *Uganda National Inter-bank Settlement (UNIS) System*. During the financial year, the Bank also cleared a private company to set up and operate a payment (ATM) switch in Uganda.

##### **(a) Implementation of the Uganda National Inter-bank Settlement (UNIS) System**

In order to enhance efficiency and strengthen risk management in the national payment system, the Bank implemented an advanced electronic payment system in which large and time-sensitive payments are effected immediately (i.e. in real-time). The UNIS System was implemented on 21<sup>st</sup> February 2005, and is expected to fundamentally transform the country's payment system landscape.

Specifically and among others, the implementation of the UNIS system is expected to:

Significantly reduce the possible precipitation of systemic risk, which could otherwise arise in multilateral netting systems, should a participant with a large net debit obligation fail to settle.



Promote economic efficiency through the expeditious transfer of funds to payees (e.g. companies), which can re-invest the funds in other economic activities.

Enhance Uganda's regional competitiveness in the attraction of international investment capital as investors now recognize a functional RTGS system as a critical component in a country's economic and payment infrastructure.

Strengthen the management of monetary policy through timely availability of data on the stock of money flows in the financial system and the facilitation of quick and efficient adjustment of liquidity levels in the economy.

Promote regional trade and the development of regional financial markets by providing an infrastructure that can be leveraged to facilitate efficient, safe, secure and convenient cross border payments within East Africa and beyond

Improve the security of person and property in large value transactions, which would otherwise be very risky as is the case with moving large amounts of cash.

#### **(b) Establishment and implementation of an inter-bank payment switch**

Bank of Uganda put in place a regulatory framework for the establishment, operation and management of payment switches in Uganda. The framework is intended to ensure safe and efficient switching operations that are in line with international best practices and strategic trends, and also have adequate and sound business continuity arrangements.

Based on the criteria spelt out in the regulatory framework, a private payment switch provider, *Bankom Ltd* was, in October 2004, cleared by the Bank to establish and operate a payment (ATM) switch in the country. A payment switch enables ATM cardholders to make cash deposits and withdrawals, electronic payments, account balance inquiries, utilities prepayments and loading of airtime from any ATM of a bank that is connected to the switch.

The Bankom switch was implemented in June 2005, and currently supports cash transactions, account balance enquiries and airtime loading. The switch's range of services is expected to be expanded, to include, among others, electronic payment for purchases at points of sale, which is technically referred to as **Electronic Fund Transfer at Point of Sale (EFTPOS)**.

Currently, two banks are connected to the switch, with about 30 ATMs between them. Arrangements for several more banks to join the switch are being finalised.

#### **7.9.8 Information technology**

During the financial year, The Bank implemented the ESAF BSA system that automates bank supervision practices and procedures. The system was developed through collaborative efforts of East, Central and Southern African Central Banks. The Bank also implemented an Early Warning System for the Supervision Function. In addition, The Bank implemented the Real Time Gross Settlement system, an inter-bank



settlement system, which went live on 21 February 2005. Implementation of the RTGS was carried out in partnership with the commercial banks.

The Bank upgraded the Integrated Financials System (General Ledger, Fixed Assets, Accounts Payable, Order Management and Payroll modules) for improved functionality, and better security and management features. The SWIFT system was also upgraded for improved functionality.

Phase I of the Central Depository System (CDS) upgrade, is currently being tested. It provides functionality for integration to the RTGS as well as enhancement of current CDS functions. During 2005/06, the Bank plans to carry out Phase II of the CDS upgrade, which will enable Primary Dealers and other commercial banks to access the system over a secure network. The enhanced system will improve efficiency and encourage market development.

In addition to enhancements to computing services, The Bank continued to operate, administer and maintain its growing IT infrastructure. The three East African Central Bank's agreed to adopt a common industry best practice for IT Governance.

One of the key concerns during the year was improving the security of The Bank's Computer Network. Several measures were put in place to address identified security concerns including a major upgrade of the infrastructure, which is ongoing and scheduled to be completed by September 2005.

Bank staff continue to be trained on various business and office automation applications. The annual Training Needs Assessment was carried out and will be the basis for the IT training plan 2005/06.

The Bank worked to improve expertise, architectures and technology, to ensure success in utilizing Information Technology to meet its business goals.

### **7.9.9 Development finance**

The Bank, through its Development Finance Department, facilitated the private sector in accessing institutional credit. The Bank participated mainly in the areas of: - Term Lending, Export finance, Energy for rural transformation financing, supporting the distressed flower project, besides conducting public awareness workshops and monitoring of funded projects.

#### **(i) Term Lending**

The European Investment Bank (EIB) – Apex Loan Scheme dominated the provision of long-term credit to the private sector. A total of eight Financial Institutions participated in the scheme. During the year, a sum of euro 5.8 million (Shs. 12.6 billion) was disbursed to finance 10 projects under Apex III. This fully utilized the Apex III fund of Euro 40 million bringing the cumulative disbursed value of the Apex Programme to approximately Euro 80 million benefiting 166 projects. The sectors funded include Agro-Industry, Manufacturing, Horticulture, Fish Processing, Mining, Tourism, Education, Health, Floriculture and Services.



During the year under review, Agreement for accessing Apex 1V line of credit was signed between Government of Uganda and EIB.

#### (ii) Export financing

Three Credit Schemes focussed on the Export Sector and benefited various sub sectors engaged in Non-traditional Exports (NTEs). NTEs are all exports excluding tea, coffee, Cotton and tobacco in their raw form. The export credit schemes include:

Export Credit Guarantee Scheme (ECGS) which currently has a capital base of Shs. 7.4 billion was introduced in 2001 and has since guaranteed 126 export contracts totalling to Shs.45.6 billion.

Export Refinance scheme (ERS) was established in 1991 to provide short and medium term loans to Exporters of NTEs. A total of 317 loans amounting to Shs. 35.8 billion have to date been disbursed to 113 export-oriented projects.

Export Promotion Fund (EPF) is a revolving fund that was established in 1999 to support promotional activities of exporters. A total of Shs.1.1 billion has so far been disbursed to 155 exporters.

#### (iii) Energy for Rural Transformation Refinance Fund (ERTRF)

The ERTRF is a line of credit funded by the World Bank under the Energy for Rural Transformation project. The objective of the Fund is to facilitate investment in rural electrification and build capacity of the financial sector to undertake financing of rural electrification projects. The Bank manages the fund that totals to US\$15.3 million.

A total of US dollars \$11.5 million was committed to two projects during the year. The uncommitted amount of US\$ 3.8 million is earmarked to provide refinance to deposit taking Micro-Finance institutions (MDIs) for on lending to projects in the energy solar sector.

#### (iv) Distressed Flower projects Fund

The objective of the fund is to avail finance to rescue flower projects that are in financial distress. A total of Shs. 2,596 million was disbursed to one project during the period under review.

#### (v) Marketing

Public Awareness Workshops, Seminar and Publications were organised to sensitize the public and other stakeholders about the credit facilities available at the Bank. In addition, the Bank as a member of African Rural and Agricultural Credit Association (AFRACA) hosted the 4th AFRACA Micro-finance Forum in Kampala from 4th to 8th June 2005.

#### (vi) Monitoring and Evaluation

The Bank monitored the funded projects jointly with the financing institutions. In addition, Ministry of Finance Planning and Economic Development (MFPED) contracted Consultants to undertake external evaluation of Apex and EPF schemes.



#### (vii) Transfer of Development lines of Credit to UDB

By the end of the financial year, the Bank had received communication from Government of its decision to transfer activities under DFD to Uganda Development Bank Ltd (UDBL).

#### **7.9.10 Internal Administrative Services**

The Bank, through its Administrative Services Department provides efficient and cost effective institutional support services with regard to the management of civil and other engineering works, maintenance of plant, equipment, machinery and buildings, and the provision of logistical services.

During the financial year, the Bank expanded its office facilities by acquiring the property on Plot 45 Kampala Road. In addition a number of works were completed. These included the installation of new lifts in the Shorter Tower at the Bank Headquarters, alterations to money counting room and installation of more Bank Note Processing machines. Works on the implementation of the Integrated Security System and Fire Upgrade Projects are in their final stages with part of the system already operational. Works for the improvement of the power supply at Jinja Currency Centre were embarked on.

Capacity building in the provision of procurement services was enhanced with the training of a staff on the Masters program in Logistics Management and the others are pursuing the Chartered Institute of Purchasing and Suppliers program.

#### **7.9.11 Human Resource Management**

The Bank through its Human Resource Department ensures optimal and efficient utilization of human resource through initiation and administration of cost effective policies, which attract, retain and motivate staff in the Bank. In pursuit of this objective, the Bank undertook the following activities during the year.

The deployment of 19 newly recruited Banking Officers, to departments after rotating them in all departments for one year.

After conducting training needs analysis, to ensure staff possess requisite knowledge, skills and attitude; various courses were organized in-house, locally, regionally and overseas. In addition, the 15<sup>th</sup> East African Central Banking Course was conducted. As a result, 127 staff were trained locally and 166 staff attended courses outside the country, which is a total of 293 staff trained.

The Bank maintained PEOPDESY Human Resource Management System to provide a wide range of up-to-date information required for making management system that provides improved quality and timeliness of information, the Bank commenced the process of implementing the Oracle HR system. The user requirements for Oracle HR were identified.

Aimed at developing a more effective document management and filing system with suitable security features, the Bank commenced the process of implementing a



Document Management and Filing System (DMFS) to enhance safe custody and quick retrieval of information.

### **7.9.12 Security Measures**

The Bank continued to improve on its security with the objective of providing a conducive environment for effective performance. The improvements were aimed at enhancing the protection of staff, clients and Bank property from harm in all areas of Bank operations.

In this regard, the Bank continued the implementation of the Integrated Security System (ISS). The ISS Project when completed will provide improvements in physical security mainly in the following areas: Access Control, Surveillance, intrusion Prevention, Materials Detection and the Upgrade of the Fire System.

#### **(a) Access control**

The objective of this is to guide, monitor and control access to and movements of persons within the Bank buildings. Based on the concept of security zoning access to the Bank will be through card readers. More sensitive areas will feature card readers with PIN codes.

Rooms with restricted access will in addition have a master key system.

#### **(b) Surveillance**

The Surveillance Systems comprises of Cameras and Monitors. The CCTV cameras have been installed in the following areas:

- The premises within the perimeter and surroundings (car parks, Western Gardens and Perimeter),
- Entry points (Guardrooms and Reception Areas),
- Access points to restricted areas,
- Cash holding areas and,
- Goods Delivery Areas.

The monitors have also been installed in the Security Control Room.

#### **(c) Intrusion**

The system features lock and open monitoring contacts, motion and seismic detectors at entrance doors/gates and access doors to restricted areas & vaults, as well as panic buttons for the cash handling areas. The detectors are already installed.

#### **(d) Materials detection**

The Materials Detection component of the ISS enables security personnel to detect materials (explosives, guns, ammunitions, knives etc) that could be used to harm people or damage property. During 2004/2005 security screening was enhanced in all



entry points. The Bank installed X-ray machines and Walk-through Metal Detectors at the guardhouses on Shimoni Road, and Kampala Road and goods delivery area. Vehicles are searched for explosive materials at all vehicle access points to the Bank. Jinja and Arua Currency Centres were each allocated walk-through metal detectors. Other Centres will be catered for during 2005/2006.

**(e) Fire upgrade**

The Fire Upgrade at Headquarters is intended to enhance the detection and fire extinguishing capacity of the Bank. The PC-based system when completed will specifically achieve the following:

- Graphically display the location of the fire (room) and hence improve on fire management,
- Cover areas that were previously unprotected,
- Reduce on false alarms,
- Allow direct contact with the Fire Brigade and Police in case of fire incidents and,
- Integrate the fire systems of the entire headquarters buildings.

The Bank also installed fire hydrants at Fort Portal, Kabale and Mbarara Currency Centres. This will enhance the Fire Extinguishing System in case of a fire incident at these Centres.

**7.9.13 Internal Audit Operations**

The Internal Audit Function is responsible for conducting independent and objective reviews in order to provide assurance to the Board and Management as to the continued effectiveness of internal controls, risk management processes and procedures and efficient utilization of Bank resources.

The function's operations are carried out within the framework of the Internal Audit Charter. The Charter provides for the organizational status, authority, policies and guidelines for the conduct and operation of internal audit within the overall organizational structure of the Bank. Within the framework, the head of the Internal Audit Function functionally reports to the Audit Committee of the Board. However, operational responsibilities are discharged within the Bank organization structure whereby all function heads report to the Governor.

During the financial year ending 30 June 2005, the function was able to execute 49 audit tasks out of the planned 55. In line with the concept of risk-based audit approach, the bulk of the tasks were carried out in the Bank's most vulnerable operational areas of External Operations, Currency, Accounts, Banking and Domestic Financial Markets Departments. The other tasks were performed in the Supervision Function, Research Function, Development Finance Department, Administrative Services and Security Departments.





Apart from surprise checks on currency centres and the Banking Hall at headquarters, the above tasks comprised of risk assessment and management procedures and appraisal of the existing controls to mitigate risks. In this regard the Bank IT systems inclusive of the LAN and BCNET were also appraised.

In addition to the planned tasks above, the function provided all the information required for the operations of the Audit Committee of the Board. The function assisted the Bank in the development and institutionalising the Bank wide risk management policy and framework. The function also continued to pre-audit some of the Bank large contract payments and supervise currency destruction exercises.

During the year, the function continued to develop capacity to audit in the Bank computerized environment. Audit automation tools were acquired and a number of internal and external training programmes were carried out.

The Bank believes that internal audit operations were sufficient and that they could be relied upon to provide reasonable assurance as to the continued functioning of the internal control systems and adequacy of risk management processes at the Bank.

#### **7.9.14 Corporate Services Office**

Through the Corporate Services Office (CSO) the Bank facilitates and promotes strategic planning, business planning, monitoring and evaluation and corporate governance processes. During the financial year the Bank carried out a performance assessment of 2004/05 work plans. The work plans for 2005/06 were prepared based on management resolutions made at a strategic management workshop. A Performance Standards Framework for the Bank, setting out key performance indicators was also developed and implementation was kick started in the Operations Function.

#### **7.9.15 Public Relations Office**

The public Relations Department provides strong technical support in the management of the Bank's corporate image and reputation with a view to influencing the Bank's operating environment to facilitate the Bank's attainment of its mission. In this regard a one-day high profile media workshop on the topic: "Effective Communication between the Bank and the Media" was conducted during the year. It was attended by Media Practitioners and top Bank management. The Bank continued to manage information dissemination to the public by arranging monthly media briefings, press conferences, issuance of press releases and facilitation for Bank seminars and workshops. The Bank was also involved in a series of public education and awareness activities.

## **8 FINANCIAL FRAMEWORK FOR 2005/2006**

The financial framework for the Bank is designed to support the achievement of both the Bank's mission and the current five-year strategic plan. The Finance Function takes the lead to ensure that the budgetary, accounting and related processes required to



deliver on the Strategic Plans are appropriate for the financial operations of the Bank and are carefully coordinated to achieve expected results. Through a coherent budget management and monitoring system, the Finance Function tracks and reports on budget performing based on level of activities agreed in the work plans of the respective Departments and Functions.

During the year 2004/05 the Bank recorded a net operating surplus of Shs.3,179 million compared to a deficit of Shs.19,053 million the previous year. Projection for the year was a deficit of Shs.11,727 million. The better than expected performance was mainly due to greatly improved earnings which rose from Shs.68,516 million in 2003/04 to Shs.91,165 million in 2004/05. This in turn was attributed to a more favourable interest rates outturn in the international financial markets; the increase in reserves of the Bank and the performance of External Fund Mangers. As the contribution to Bank income from local sources has remained marginal, external earnings will continue to be an important source of Bank income.

With regards to recurrent expenditures total operating expenditure rose from Shs.67,276 million in 2003/04 to Shs.69,779 million during 2004/05, an increase of 3.7 percent. Staff costs at over 50 percent of the total operating expenses continued to take the lion's share of recurrent costs. Currency costs recorded an increase from Shs.5,437 million in 2003/04 to Shs.11,719 million in 2004/05. This large 116 percent increase is attributable to the change in accounting policy, which now reflects costs of currency issued rather than printed or minted in any particular year. A lot more currency notes were issued in 2004/2005 than in 2003/04.



Provided below is the budget performance trend for major group items for the Bank in the last four years.

	Actual 2001/2	Actual 2002/3	Actual 2003/4	Budget 2004/5	Actual 2004/5	Budget 2005/6
	U Shs (m)	U Shs (m)	U Shs (m)	U Shs (m)	U Shs (m)	U Shs (m)
<b>INCOME</b>						
<b>FOREIGN INCOME</b>						
Foreign Interest Income	42,270	53,885	55,217	65,650	72,225	84,366
Margin and Commission Income	7,436	10,847	12,349	6,000	13,028	3,500
Gain/(Loss) on Financial Instruments held for Trading		5,966	(13,008)	0	1,659	4,000
<b>TOTAL FOREIGN INCOME</b>	<b>49,706</b>	<b>70,698</b>	<b>54,558</b>	<b>71,650</b>	<b>86,912</b>	<b>91,866</b>
<b>LOCAL INCOME</b>						
Local Interest Income	727	1,541	233	88	194	78
Income from Government Securities	6,462	6,259	507	0	0	0
Income from Demonetisation of Currency		0	6,829	0	0	0
Other Income	1,342	2,167	6,389	1,159	4,059	979
<b>TOTAL LOCAL INCOME</b>	<b>8,531</b>	<b>9,967</b>	<b>13,958</b>	<b>1,247</b>	<b>4,253</b>	<b>1,057</b>
<b>TOTAL INCOME</b>	<b>58,237</b>	<b>84,102</b>	<b>68,516</b>	<b>72,897</b>	<b>91,165</b>	<b>92,923</b>
<b>EXPENDITURE</b>						
<b>OPERATING EXPENDITURE</b>						
Staff Costs	32,542	35,653	40,441	36,740	41,096	41,711
Administration Costs	9,550	10,384	12,321	13,927	11,984	10,742
Currency Costs	5,964	1,920	5,437	16,553	11,719	15,554
Financial/Professional Charges	6,714	6,796	2,799	2,539	2,521	7,503
Impairment on Loans and Advances			6,278		2,459	
<b>TOTAL OPERATING EXPENDITURE</b>	<b>54,770</b>	<b>54,753</b>	<b>67,276</b>	<b>69,759</b>	<b>69,779</b>	<b>75,509</b>
<b>SURPLUS/(DEFICIT)</b>	<b>3,467</b>	<b>26,485</b>	<b>1,240</b>	<b>3,138</b>	<b>21,386</b>	<b>17,414</b>
<b>OTHER EXPENDITURE</b>						
Realised Exchange (Gain)/Loss	505	757	586	-	(201)	-
International Monetary Fund Charges	4,600	4,029	3,515	3,007	3,372	2,908
Loss on Revaluation of certain buildings		0	1,986		0	
Depreciation	4,920	9,323	14,206	11,858	15,036	12,000
<b>TOTAL OTHER EXPENDITURE</b>	<b>10,025</b>	<b>17,546</b>	<b>20,293</b>	<b>14,865</b>	<b>18,207</b>	<b>14,908</b>
<b>TOTAL EXPENDITURE</b>	<b>64,795</b>	<b>75,163</b>	<b>87,569</b>	<b>84,624</b>	<b>87,986</b>	<b>90,417</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(6,558)</b>	<b>8,939</b>	<b>(19,053)</b>	<b>(11,727)</b>	<b>3,179</b>	<b>2,506</b>
Less Transfer of Unrealised (Gain)/Loss to Investment Revaluation Reserves		(3,447)	3,447	-	(3,429)	-
<b>TRANSFER TO REVENUE RESERVE</b>	<b>(6,558)</b>	<b>5,492</b>	<b>(15,606)</b>	<b>(11,727)</b>	<b>(250)</b>	
<b>CAPITAL EXPENDITURE</b>	<b>13,977</b>	<b>26,549</b>	<b>22,489</b>	<b>25,474</b>	<b>16,066</b>	<b>21,516</b>

During the year ended 2004/2005, the Bank made changes in some accounting policies mainly to enhance compliance with IAS 39 and IAS 19 as required under the International Financial Reporting Standards (IFRS). This affected mainly accounting for all the Bank's staff loans and compensated short term absence of staff. Also, currency printing and minting costs are now treated as prepayments and amortized as and when currency is issued.

All staff loans and advances have been discounted at adjusted market interest rates as required under IAS 39 to account for the concessionary element in these facilities. The



recognition of staff loans initially at fair value has been adopted for the first time in the current period. The recognition of the staff loans at fair value has resulted into a fair value loss of Shs 2,537 million in respect of staff building loans that has been charged to the sinking fund and Shs 529 million in respect of other staff loans and advances that has been charged to the Income and expenditure statement for the current period.

Concessionary loans granted to Nile Bank and National Bank of Commerce have also accordingly been discounted at adjusted market rates to recognise them at fair value. The adjustment in these two loans has resulted into a charge of Shs.477 million to the Income and expenditure statement.

The recognition of the Bank's obligation in respect of compensated Short term absences that had not been accounted for in the past has resulted into a charge of Shs. 439m to the Income and expenditure statement, being the cost of accumulated leave relating to 2004/2005. Similarly, the deficit for the year 2003/4 has been adjusted and restated for accumulated leave amounting to Shs.3, 933million. This is a prior year adjustment in respect of accumulated compensated short-term absence relating to previous periods. Due to impracticability of determining the cumulative effect at the beginning of 2003/4, the change in accounting policy has been applied retrospectively only to 2003/04 for which information was available.

In another development, currency-printing and minting costs that were previously expensed are now deferred and will be charged to the Income and expenditure statement in the period in which the notes and coins are issued. This adjustment resulted into a write back to the Income and expenditure statement of Shs.10,874 million representing Currency printing costs during the period 2003/04. Shs.11,719 million was charged to the Income and expenditure statement in the current period, representing actual currency costs for notes and coins issued during the year 2004/05 in line with the new policy of accounting for currency costs as highlighted above. The change in accounting policy has been applied retrospectively.

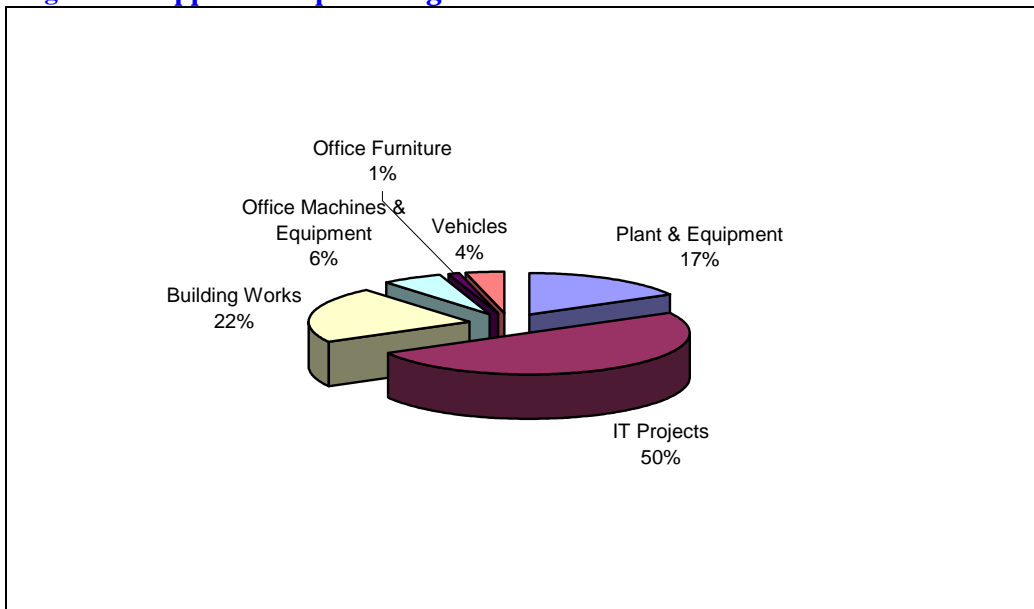
According to the budget proposals for 2005/2006, the Bank budgeted income is projected to grow to Shs. 92,923 million. The expenditure has also been estimated to increase to Shs. 75,509 million before allowances for depreciation and IMF charges. The automation and upgrading of mission critical activities is on going and sufficient budget provisions have been made in this regard.

During 2005/2006, the Bank will carry out roof repairs and cladding maintenance of the Bank Head quarters (new building) and commence construction of the Mbale Currency Centre office block. The minting of coins and printing of notes will be undertaken during the period. The foreign exchange Reserve management system will be implemented and the implementation of the Integrated Security System is expected to be completed in the year. Other IT related upgrades are also planned.

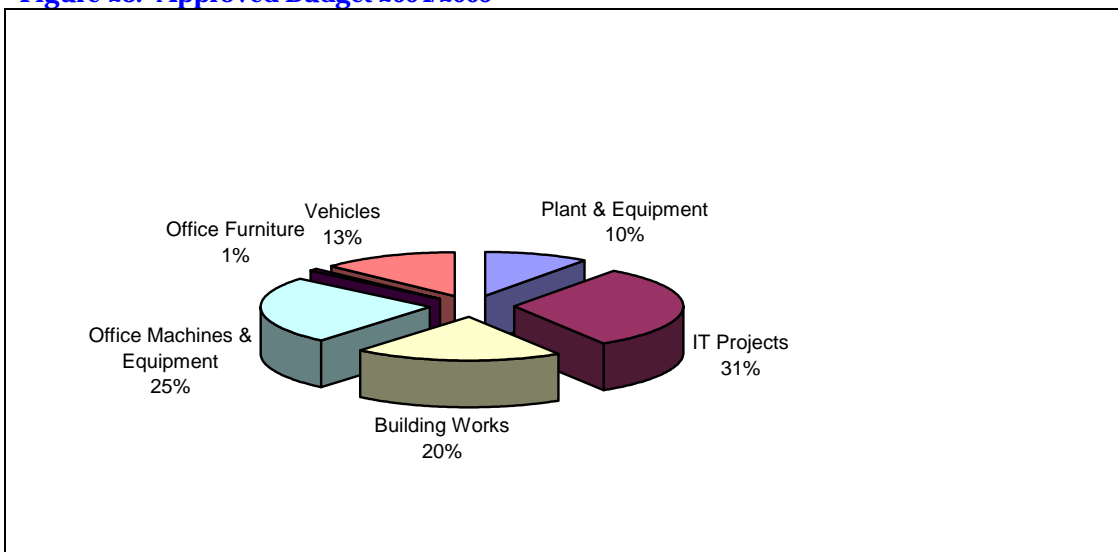
The Bank approved capital expenditure for 2005/2006 is illustrated in Figures 27 and 28 below.



**Figure 27: Approved Capital Budget 2005/2006**



**Figure 28: Approved Budget 2004/2005**



## 8.1 Directors' Report

### INTRODUCTION

The Directors are pleased to present their report for the year ended 30 June 2005. 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 2005 as set out on pages 112 to 142 of this report. The Bank made a net surplus of Shs. 3,179 million compared to a deficit of Shs. 19,053 million in 2003/04 as restated. Gross income for the period amounted to Shs. 91,165 million as compared to Shs. 68,516 million in 2003/04 as restated. The major source of the Bank's income continues to be interest earned on foreign currency investments and foreign exchange trading. There was a gradual rise in interest rates in the international financial markets compared to the previous year. This improvement in interest rates together with growth in Reserve levels coupled with prudent management of the funds were largely responsible for the 33 percent increase in gross earnings. During the year, the Bank changed its accounting policy in accounting for currency printing and minting costs; while previously currency printing and minting costs were expensed in the year the costs were incurred, following a review, a policy decision was taken to defer the costs and charge the income and expenditure statement only the portion of the costs relating to the currency issued during the year since currency issued is used over a number of years. The comparative figures for the previous year have been restated.

The Bank continued to provide the public with an appropriate denomination mix of currency with enhanced security features and maintaining an acceptable level of cleanliness. In this regard, the Bank issued a new one thousand shilling note denomination and withdrew the old notes.

The Bank continued to spend substantially on capacity building with the aim of improving on efficiency and effectiveness in the delivery of its mandate which is to maintain a sound macro-economic environment and stable financial sector with a reliable national payments system. In this regard a Real Time Gross Settlement System was implemented during the year.

The Bank acquired the former Stanbic bank building headquarters for strategic security reasons and for business continuity purposes. It also implemented various IT related projects in addition to acquiring currency processing and handling equipment. As a consequence of these acquisitions, the resulting increase in capital expenditure also led to the high charge of depreciation in the accounts. Altogether the capital expenditure for the year under review amounted to Shs. 16,066 million.

### 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 (Acting up to 30 October 2004)



L.A. Kasekende (Dr)	-Deputy Chairman (With effect from 1 November 2004)
C. Manyindo Kassami	-Member
J. Waswa Balunywa	-Member
G. Sebunya Muwanga (Dr)	-Member
B. Kiiza	-Member
M. Okai (Prof.)	-Member (Appointed on 24 November 2004)

None of the Directors had any financial interests in the Bank at any time during the year.

### 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 2005, 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**

27 September 2005

## 8.1.1 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 111 to 142, 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 2005 and of its net surplus 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.

Dr. Louis A. Kasekende  
**CHAIRMAN**

Blasio Kiiza  
**DIRECTOR**

27 September 2005

27 September 2005

### **8.3 Report of the Auditor General**

Under the terms of section 44 of the Bank of Uganda Statute 1993, I am required to audit the accounts of the Bank. In accordance with the provisions of the same statute, I appointed M/s PricewaterhouseCoopers, Certified Public Accountants, to audit the accounts of the Bank on my behalf and report to me so as to enable me report to Parliament in accordance with Article 163 (4) of the Constitution of the Republic of Uganda.

#### **REPORT**

**1. The financial statements on pages 75 to 106 have been audited.** All the information and explanations which were considered necessary for the purposes of audit were obtained.

#### **2. Respective responsibilities of Directors**

The Directors are responsible for the preparation of the financial statements as described on page 73. The responsibility of the Auditor is to express an independent opinion on the accounts based on the audit.

#### **3. Basis of Opinion**

The audit was conducted in accordance with International Standards on Auditing. Those standards require that the audit is planned and performed to obtain reasonable assurance that the accounts are free from material mis-statement. 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.

#### **OPINION**

In my opinion, proper books of account have been kept and the financial statements, which are in agreement with the books of account, give a true and fair view of the state of the financial affairs of the Bank as at 30<sup>th</sup> June 2005 and of its surplus and cashflows for the year then ended





in accordance with the 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.

Signed by the Auditor General, John F.S. Muwanga on 27<sup>th</sup> September 2005



## 8.3 Financial Statements

### INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 U Shs (m)	Restated 2004 U Shs (m)
<b>INCOME</b>			
<b>Foreign Income</b>			
Foreign Interest Income		72,225	55,217
Foreign Exchange Margins and Commission Income		13,028	12,349
(Loss)/Gain on Investments Held for Trading	3	1,659	(13,008)
		<b>86,912</b>	<b>54,558</b>
<b>Local Income</b>			
Local Interest Income		194	233
Income from Government Securities	4	-	507
Income from Demonetisation of Currency	5	-	6,829
Other Income	6	4,059	6,389
		<b>4,253</b>	<b>13,958</b>
<b>TOTAL INCOME</b>		<b>91,165</b>	<b>68,516</b>
<b>EXPENDITURE</b>			
Staff Costs	7	41,096	40,441
Administration Costs	8	11,984	12,321
Currency Costs	9	11,719	5,437
Financial/Professional Charges	10	3,527	2,799
Impairment on Loans and Advances	11	1,453	6,278
<b>TOTAL OPERATING EXPENDITURE</b>		<b>69,779</b>	<b>67,276</b>
<b>NORMAL OPERATING SURPLUS/(DEFICIT)</b>		<b>21,386</b>	<b>1,240</b>
<b>OTHER EXPENDITURE</b>			
Realised Exchange Loss		(201)	586
International Monetary Fund Charges		3,372	3,515
Loss on Revaluation of Certain Buildings		-	1,986
Depreciation		15,036	14,206
<b>TOTAL OTHER EXPENDITURE</b>		<b>18,207</b>	<b>20,293</b>
<b>NET SURPLUS /(DEFICIT) FOR THE YEAR</b>	2	<b>3,179</b>	<b>(19,053)</b>
Transfer of Unrealised Gains from Investment Revaluation Reserve			3,447
Transfer of Unrealised Gains to Investment Revaluation Reserve		(3,429)	-
<b>TRANSFER TO REVENUE RESERVE</b>		<b>(250)</b>	<b>(15,606)</b>



The accounting policies and notes on pages 118 to 142 form an integral part of the financial statements.

### BALANCE SHEET AS AT 30 JUNE 2005

<b>ASSETS</b>		2005	Restated 2004
	<b>Note</b>	U Shs (m)	U Shs (m)
<b>FOREIGN ASSETS</b>			
Cash and Cash Equivalents	12	1,967,146	1,692,104
Investments Held for Trading	13	363,766	358,844
International Monetary Fund (IMF) Quota	14	458,338	473,833
Available for Sale Investment - Afrexim	15	696	716
<b>Total Foreign Assets</b>		<b>2,789,946</b>	<b>2,525,497</b>
<b>DOMESTIC ASSETS</b>			
Advances to Commercial Banks	16	108,996	137,812
Domestic Investments	17	200,486	200,000
Other Assets	18	34,814	56,423
Staff Loans and Advances	19	10,097	14,154
Property, Plant and Equipment	20	78,359	79,207
Prepaid Operating Lease Rentals	21	8,355	6,742
Advances to Government	22	1,070,913	1,220,620
<b>Total Domestic Assets</b>		<b>1,512,020</b>	<b>1,714,958</b>
<b>TOTAL ASSETS</b>		<b>4,301,966</b>	<b>4,240,455</b>
<b>LIABILITIES</b>			
<b>FOREIGN LIABILITIES</b>			
International Monetary Fund Accounts	29	458,354	469,819
Special Drawing Rights(SDR) Allocation	23	74,644	77,168
Other Foreign Liabilities	24	822	823
<b>Total Foreign liabilities</b>		<b>533,820</b>	<b>547,810</b>
<b>DOMESTIC LIABILITIES</b>			
Currency in Circulation	25	698,503	605,255
UCBL Net Sales Proceeds	26	25,406	25,376
Commercial Bank Deposits	27	296,289	337,321
International Bank for Reconstruction and Development		2,249	3,102
Government Deposits	28	2,363,462	2,274,305
Employee Retirement Benefits	30	1,468	1,186
Other Liabilities	31	68,776	60,255
<b>Total Domestic Liabilities</b>		<b>3,456,153</b>	<b>3,306,800</b>
<b>TOTAL LIABILITIES</b>		<b>3,989,973</b>	<b>3,854,610</b>
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	32	20,000	20,000
Reserves	33	263,191	335,059
Earmarked Funds	34	28,802	30,786
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<b>311,993</b>	<b>385,845</b>
<b>TOTAL SHAREHOLDERS' FUNDS &amp; LIABILITIES</b>		<b>4,301,966</b>	<b>4,240,455</b>

The accounting policies and notes on pages 118 to 142 form an integral part of the financial statements. The financial statements on pages 75 to 142 were approved by the Board of Directors on 27 September 2005. They were signed on its behalf on 27 September 2005 by:



Dr. Louis A. Kasekende  
Chairman

Blasio Kiiza  
Director

J. Waswa Balunywa  
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)
<b>At 1 July 2003 as previously stated</b>	<b>20,000</b>	<b>325,702</b>	<b>10,952</b>	<b>35,571</b>	<b>65,991</b>	<b>100</b>	<b>458,316</b>
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)	-	-
<b>As restated</b>	<b>20,000</b>	<b>325,702</b>	<b>10,952</b>	<b>3,447</b>	<b>98,115</b>	<b>100</b>	<b>458,316</b>
Deficit 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
<b>At 30 June 2004 as restated</b>	<b>20,000</b>	<b>220,478</b>	<b>28,545</b>	<b>-</b>	<b>76,131</b>	<b>100</b>	<b>345,254</b>
							-
<b>At 1 July 2004 as previously stated</b>	<b>20,000</b>	<b>220,478</b>	<b>28,545</b>	<b>-</b>	<b>76,131</b>	<b>100</b>	<b>345,254</b>
Prior Year Adjustment - Change in Accounting Policy (currency)	-	-	-	-	13,738	-	13,738
Prior Year Adjustment - Change in Accounting Policy (staff leave)	-	-	-	-	(3,933)	-	(3,933)
<b>As restated</b>	<b>20,000</b>	<b>220,478</b>	<b>28,545</b>	<b>-</b>	<b>85,936</b>	<b>100</b>	<b>355,059</b>
Surplus for the Year	-	-	-	-	3,179	-	3,179
Revaluation Surplus Release	-	-	(1,927)	-	1,927	-	-
Transfer of Undistributable Gain	-	-	-	3,429	(3,429)	-	-
Translation Loss for the Year	-	(75,047)	-	-	-	-	(75,047)
<b>At 30 June 2005</b>	<b>20,000</b>	<b>145,431</b>	<b>26,618</b>	<b>3,429</b>	<b>87,613</b>	<b>100</b>	<b>283,191</b>

The accounting policies and notes on pages 118 to 142 form an integral part of the financial statements.



## NOTES TO STATEMENT OF CHANGES IN EQUITY

### 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.

### Capital Reserve Fund

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

### Translation Reserve

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

### 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 is classified as “Held-for-Trading”. The gain/loss on financial instruments held for trading has been recognised directly in the income statement. The unrealised market value portfolio gain has been transferred from revenue reserves to the Investment Revaluation Reserve in accordance with the stated Bank accounting policy.

### Revenue Reserve

The movement in revenue reserve represents the net Surplus or deficit transferred from the Income and Expenditure statement. The unrealised gain on the held for trade portfolio, which is included in the net Surplus or deficit for the year, is then transferred from the revenue reserve to the investment revaluation reserve.

The change in accounting policy for currency printing and minting costs resulted into a prior year adjustment of Shs 13,738 million in respect of costs previously expensed but now deferred. Also, the recognition of the Bank’s obligation in respect of short term compensated absences in accordance with IAS 19 - Employee Benefits, resulted into a charge of Shs.3,933 million to the prior year Income and expenditure statement. As a result therefore, the opening revenue reserves for the period ended 30 June 2005 have been restated by Shs.9,805 million.



## 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

		June 2005 U Shs (m)	Restated June 2004 U Shs (m)
<b>Suplus/(deficit) transferred to revenue reserve</b>	Note	3,179	(15,606)
Adjustments for:			
Realised Gain Transferred		-	(3,447)
Depreciation		15,037	14,205
Amortisation of Operating Leasehold		265	228
Profit on Sale of Fixed Assets		(145)	(124)
Deferred Expenditure Notes & Coins 2002/03		-	2,864
Increase/(Decrease) in Earmarked Funds		(1,984)	(3,923)
Loss written-off on Revaluation of Bank Properties		-	1,986
Unrealised Gain/(loss) Transferred to Reserve		(75,047)	(105,224)
		<u>(58,695)</u>	<u>(109,041)</u>
<b>Foreign Assets</b>			
(Increase)/Decrease in Held for Trading Investments	13	(4,922)	40,094
(Increase)/Decrease in IMF Quota	14	15,495	32,930
(Increase)/Decrease in Available For Sale Investment	15	20	85
<b>Total Foreign Assets</b>		<u>10,593</u>	<u>73,109</u>
<b>Domestic Assets</b>			
(Increase)/Decrease in Advances to Commercial Banks	16	28,816	(42,627)
(Increase)/Decrease in Domestic Investments	17	(486)	(69,605)
(Increase)/Decrease in Other Assets	18	21,609	(47,062)
(Increase)/Decrease in Staff Loans & Advances	19	4,057	932
(Increase)/Decrease in Advances to Government	22	149,707	312,401
<b>Total Domestic Assets</b>		<u>203,703</u>	<u>154,039</u>
<b>TOTAL ASSETS</b>		<u><u>155,601</u></u>	<u><u>118,107</u></u>
<b>Foreign Liabilities</b>			
Increase/(Decrease) in International Monetary Fund accounts		(11,465)	(36,962)
Increase/(Decrease) in Special Drawing Rights Allocation	23	(2,524)	(5,363)
Increase/(Decrease) in Other Foreign Liabilities	24	(1)	54
<b>Total Foreign Liabilities</b>		<u>(13,990)</u>	<u>(42,271)</u>
<b>Domestic Liabilities</b>			
Increase/(Decrease) in Currency in Circulation	25	93,248	85,088
Increase/(Decrease) in UCBL Sales Proceeds	26	30	(8,359)
Increase/(Decrease) in Commercial Bank Deposits	27	(41,032)	109,133
Increase/(Decrease) in International Bank For Reconstruction & Dev't		(853)	(1,050)
Increase/(Decrease) in Government Deposits	28	89,157	(163,586)
Increase/(Decrease) in Employee Retirement Benefits	30	282	565
Increase/(Decrease) in Other Liabilities	31	8,521	30,545
<b>Total Domestic Liabilities</b>		<u>149,353</u>	<u>52,336</u>
<b>TOTAL LIABILITIES</b>		<u><u>135,363</u></u>	<u><u>10,065</u></u>
<b>Net Cashflows from Operating Activities</b>		<u>290,964</u>	<u>128,173</u>
Cashflows from Investing Activities			
Proceeds from Sale of Fixed Assets		144	370
Acquisition of Fixed Assets		(16,066)	(22,489)
<b>Net Cashflows from Investing Activities</b>		<u>(15,922)</u>	<u>(22,119)</u>
Net Increase/(Decrease) in Cash & Cash Equivalents		275,042	106,054
Cash & Cash Equivalents at the Beginning of the Year		1,692,104	1,586,050
<b>Cash &amp; Cash Equivalents at the End of the Year</b>	12	<u><u>1,967,146</u></u>	<u><u>1,692,104</u></u>

assets defined as cash and cash equivalents.

The accounting policies and notes on pages 118 to 142 form an integral part of the financial statements.



## 8.3.1 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005

### PRINCIPAL ACCOUNTING POLICIES

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

#### (a) Basis of Accounting

The financial statements have been prepared in compliance 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 actions, actual results ultimately may differ from those 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 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 which 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



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

resulting from changes in fair values are recognised in the Income and expenditure statement.

The unrealised portion of the gains is not available for distribution and is thereafter transferred to the investment revaluation reserve subsequent to its recognition

### (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 and expenditure 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 fair value 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. Building and property improvement loans given to staff out of the sinking fund are initially recognised at fair value and subsequently measured at amortised cost. The fair value gain or loss on initial recognition accrues to the fund. This fund is reflected as an earmarked fund but the loans are included as receivables of the Bank.

### **(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 and expenditure 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





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

other decreases are charged to the Income and expenditure statement. Gains and losses on disposal of property and equipment are determined by reference to their carrying amounts and are taken into account in determining operating surplus.

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%
Bullion Vans	10%
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 note printing and coin minting costs incurred are deferred and only charged to the income and expenditure statement in the year the currency is issued. The deferred amount is recognised in the balance sheet as a prepayment and represents un-issued currency stocks.

### **(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



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

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.

### **(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 and expenditure 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 statement.

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



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

statement. 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. The expected costs of the accumulating compensated absences is calculated in accordance with the Bank's leave commutation formula to determine the additional amount the Bank would have to pay as a result of the unused entitlement that has accumulated at the balance sheet date.

### **(o) Bank of Uganda Staff Retirement Benefits Scheme**

The 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 and expenditure statement 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 to changes in presentation in the current period in particular, the comparatives have been restated to reflect changes in accounting policies brought about by changes in the treatment of currency costs by deferring the expense and charging the income and expenditure statement with the cost of currency and coins issued. The same treatment has been applied to short term compensated absences, low interest staff loans and concessionary loans to commercial banks.

### **1 NET SURPLUS FOR THE YEAR**

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



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Audit Fees	77	70
Directors Fees	81	26
Directors Emoluments	243	157
	<b>401</b>	<b>253</b>

### 2 GAIN/LOSS ON INVESTMENTS HELD FOR TRADING

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Realised Market (Loss)/Gain on Investments	(1,110)	(3,276)
Unrealised Market Gain/(Loss) on Investments	3,429	(7,519)
Realised Translation Gain/(Loss) on Global Funds	6,238	12,927
Unrealised Translation (Loss)/Gain on Global Funds	(6,898)	(15,140)
	<b>1,659</b>	<b>(13,008)</b>

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 (global funds) is hedged back to the base currency using economic hedging.

### 3 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.

### 4 DEMONETISATION OF CURRENCY

The demonetised currency income was made up of:

	<b>2005</b>	<b>2004</b>
	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	<b>-</b>	<b>6,829</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

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. There was no currency notes recalled during the year and as such, no income from demonetisation was realised in the year ended June 2005.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

### 5 OTHER INCOME

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
UCBL Arbitration Costs Recovered	-	3,087
Licence Fees	136	127
Commission on Letters of Credit	104	66
Rental Income	525	184
Income from Administered Funds-DFD	959	795
Profit on Sale of Fixed Assets	145	124
Sale of Forex Receipt Books & Forms	174	155
Miscellaneous Income	1,493	437
Costs Awarded by the High Court to BOU	-	871
Write Back-Over Provision	523	543
	<b><u>4,059</u></b>	<b><u>6,389</u></b>

### 6 STAFF COSTS

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Salaries, Wages & Allowances	25,636	28,594
NSSF - Contributions	1,452	1,366
Staff Retirement Benefits Scheme (Note 30)	4,499	4,619
Gratuity	2,173	340
Staff Welfare including Medical & Canteen costs	3,528	3,336
Training, Workshops and Seminars	3,808	2,186
	<b><u>41,096</u></b>	<b><u>40,441</u></b>

The average number of persons employed during the year was 950 (2004: 969)

Included in staff costs is Shs 439 million and Shs 3,933 million for FY 2004/05 and FY 2003/04 respectively representing the value of short term compensated absence for staff's accumulated leave. Due to impracticability of determining the cumulative effect at the beginning of the FY 2003/4, the change in accounting policy has been applied retrospectively only to FY 2003/04 for which information was available



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

### 7 ADMINISTRATION COSTS

	2005	2004
	U Shs (m)	U Shs (m)
Communication Expenses	1,400	1,432
Water and Power	871	733
Ground rates,Rent & Buildings Insurance	104	90
Repairs & Maintenance - Premises, Furniture & Equip.	1,332	1,174
Motor Vehicle Expenses	1,501	1,233
Travel Costs	1,672	2,111
Corporate Contributions	2,144	2,275
Publicity & Public Awareness Costs	660	1,350
Directors' Fees and Emoluments	324	183
Printing & Stationery	1,218	923
Inspection Costs	272	314
Office Expenses	486	503
	<b>11,984</b>	<b>12,321</b>

### 8 CURRENCY COSTS

	2005	2004
	U Shs (m)	U Shs (m)
Currency Printing	8,405	2,736
Coins Minting	3,038	2,312
Currency Handling	276	389
	<b>11,719</b>	<b>5,437</b>

During the year the Bank changed its accounting policy to account for currency printing and minting costs. Costs that were previously expensed in the year they were incurred are now deferred and will be charged to the Income and expenditure statement in the period in which the notes and coins are issued. The change in accounting policy has been applied retrospectively.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

### 9 FINANCIAL AND PROFESSIONAL CHARGES

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Audit Fees	77	70
Amortisation of Operating Lease	266	228
Consultancy Costs	378	567
Other Financial/Professional Charges	84	86
Reserve Management Fees and Expenses	1,388	1,470
Legal Fees	328	378
Fair Value Loss on Staff Loans and Advances	529	-
Fair Value Loss on Commercial Bank Loans	477	-
	<b><u>3,527</u></b>	<b><u>2,799</u></b>

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

The staff loans and advances and commercial bank loans have been discounted at adjusted market interest rates to account for the concessionary element in these facilities and this has given rise to fair value losses on initial recognition. The recognition of these loans and advances initially at fair value has been adopted for the first time in the current period. (see notes 16 and 19)

### 10 IMPAIRMENT ON LOANS AND ADVANCES

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Commercial Bank Loans	-	2,007
Government Accounts	1,283	1,689
Staff Loans and Advances	50	2,200
Receivables and Prepayments	-	11
DFD Loans Earmarked Funds	30	371
Miscellaneous Provisions Including Obsolete Stock	90	-
	<b><u>1,453</u></b>	<b><u>6,278</u></b>





## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

### 11 CASH & CASH EQUIVALENTS

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Foreign Currency Held in Banking Dept	194	182
Special Drawing Rights Holdings	1,197	957
Balances with External Banks	14,005	63,128
Term Deposits with External Institutions	1,751,933	1,403,439
Treasury Bills Held to Maturity	51,691	71,304
Repurchase Agreements with Federal Reserve Bank	59,169	80,840
Interest Receivable	7,255	2,524
Foreign Cash Collateral	55,598	42,899
World Bank One Year Deposit (see note below)	26,104	26,831
	<b><u>1,967,146</u></b>	<b><u>1,692,104</u></b>

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.

### 12 INVESTMENTS HELD FOR TRADING

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Investments Held for Trading	363,766	358,844
	<b><u>363,766</u></b>	<b><u>358,844</u></b>

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

### 13 INTERNATIONAL MONETARY FUND QUOTA

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
IMF Quota	458,338	473,833
	<b><u>458,338</u></b>	<b><u>473,833</u></b>

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.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

### 14 INVESTMENTS AVAILABLE FOR SALE

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Unquoted Ordinary Shares in Afrexim Bank at cost	696	716

The investment in African Export Import (Afrexim) Bank is in respect of 100 Class A equity shares at a par value US \$ 400,000. While the investment is classified as available for sale, its fair value is not reliably determinable due to the lack of quoted market prices or other information based on which a fair value estimate can be derived. Accordingly, the investment is stated at cost and there has been no reason for any impairment provision to comply with the accounting policy on impairment as indicated in Note 1d. The performance trends in Afrexim's financial statements reflect a profitability position and dividends being declared hence in the opinion of management there were no grounds for impairment.

### 15 LOANS AND ADVANCES TO COMMERCIAL BANKS AND OTHER INSTITUTIONS

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Overdrawn Current A/Cs - Closed Banks	26,126	26,126
Long Term Loans to Commercial Banks at fair value/cost	5,171	6,675
Currency SWAP	-	15,026
Development Finance Loans to Commercial Banks	123,318	136,328
Uganda Institute of Bankers	30	50
Parastatals	3,209	3,781
	<u>157,854</u>	<u>187,986</u>
Provisions (see below)	<u>(48,858)</u>	<u>(50,174)</u>
	<b><u>108,996</u></b>	<b><u>137,812</u></b>
Provision on:		
Closed Banks	(26,126)	(26,126)
Long Term Loan to Commercial Banks	(4,140)	(4,140)
Development Finance Loans to Commercial Banks	(16,706)	(18,022)
Parastatals	(1,886)	(1,886)
	<u>(48,858)</u>	<u>(50,174)</u>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

### **(a) 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 functions, the Bank may act as “lender of last resort” to financial institutions in difficulty in order to prevent loss of confidence by the public in the financial system as a whole.

The long term loans to commercial banks extended on concessionary terms have been discounted at adjusted market rates to recognise them in the current period at fair value. The resulting fair value loss of Shs 477 million has been charged to the Income and expenditure statement for the current period. Due to the impracticability of determining the fair values at the time of issue of the loans outstanding as at 30 June 2005 and the subsequent measurement of the loans at amortised cost, retrospective application has not been deemed possible.

### **(b) 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.

### **(c) Currency Swap**

Currency 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 and expenditure statement. There were no currency SWAP transactions at the close of the year.

### **(d) 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 on-lending 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.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

### 16 DOMESTIC INVESTMENTS

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Zero Coupon Treasury Bills	200,000	200,000
Treasury Bills	486	-
	<b><u>200,486</u></b>	<b><u>200,000</u></b>

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.

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.

### 17 OTHER ASSETS

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Consumable Stores Stock	1,317	803
Prepayments & Receivables	33,940	56,127
Provisions (see below)	(443)	(507)
Stocks Receivables and Prepayments	<b><u>34,814</u></b>	<b><u>56,423</u></b>
Provisions on:		
Consumable Stores Stock	(133)	(242)
Prepayments & Accrued Income	(310)	(265)
	<b><u>(443)</u></b>	<b><u>(507)</u></b>

### 18 STAFF LOANS AND ADVANCES

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Staff Loans, Advances and Imprest to Staff	6,017	6,710
Staff Building Loans	7,968	8,333
Sundry Advances	274	268
Staff Loans and Advances at Cost	14,259	15,311
Fair Value Loss on Initial Recognition	(3,066)	-
Staff Loans and Advances at Fair Value/cost on Initial Recognition	11,193	15,311
Provision for impairment	(1,096)	(1,157)
	<b><u>10,097</u></b>	<b><u>14,154</u></b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

Staff loans and advances extended at off market interest rates have been discounted at adjusted market rates to recognise them in the current period at fair value. Out of the resulting fair value loss of Shs 3,066 million, Shs 2,537 million arising in respect of the staff building loans has been charged to the sinking fund while the balance of Shs 529 million in respect of other staff loans and advances has been charged to the Income and expenditure statement for the current period. Due to the impracticability of determining the fair values at the time of issue of the loans outstanding as at 30 June 2005 and the subsequent measurement of the loans at amortised cost, retrospective application has not been deemed possible.



# Bank of Uganda

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2005 (CONTINUED)

### 19 PROPERTY, PLANT & EQUIPMENT

	Freehold Land Ushs (M)	Buildings Ushs (M)	Plant & Machinery Ushs (M)	Furniture & Equipment Ushs (M)	Computer Equipment Ushs (M)	Vehicles Ushs (M)	Capital Work- In-Progress Ushs (M)	Totals Ushs (M)
<b>Cost or Valuation</b>								
<b>As at 1 July 2004</b>	<b>321</b>	<b>48,395</b>	<b>33,130</b>	<b>7,969</b>	<b>10,369</b>	<b>8,449</b>	<b>7,197</b>	<b>115,830</b>
Adjustment - Prior Year Accumulated Depn	-	(314)	-	-	-	-	-	(314)
<b>As at 1st July 2004 Restated</b>	<b>321</b>	<b>48,081</b>	<b>33,130</b>	<b>7,969</b>	<b>10,369</b>	<b>8,449</b>	<b>7,197</b>	<b>115,516</b>
Additions	-	4,507	2,282	384	3,278	2,409	1,328	14,188
Reclassification	-	-	759	-	276	-	(1,035)	-
Disposals	-	-	-	-	-	(456)	-	(456)
<b>As at 30 June 2005</b>	<b>321</b>	<b>52,588</b>	<b>36,171</b>	<b>8,353</b>	<b>13,923</b>	<b>10,402</b>	<b>7,490</b>	<b>129,248</b>
Cost	-	29,908	36,171	8,353	13,923	10,402	7,490	106,247
Valuation	321	22,680	-	-	-	-	-	23,001
	<b>321</b>	<b>52,588</b>	<b>36,171</b>	<b>8,353</b>	<b>13,923</b>	<b>10,402</b>	<b>7,490</b>	<b>129,248</b>
<b>Depreciation</b>								
<b>As at 1 July 2004</b>	-	<b>1,274</b>	<b>17,360</b>	<b>5,730</b>	<b>7,851</b>	<b>4,407</b>	-	<b>36,622</b>
Adjustment - Prior Year Accumulated Depn	-	(314)	-	-	-	-	-	(314)
<b>As at 1st July 2004 Restated</b>	-	<b>960</b>	<b>17,360</b>	<b>5,730</b>	<b>7,851</b>	<b>4,407</b>	-	<b>36,308</b>
Charge for the Year	-	2,048	7,781	1,208	2,364	1,636	-	15,037
Disposals	-	-	-	-	-	(456)	-	(456)
<b>As at 30 June 2005</b>	-	<b>3,008</b>	<b>25,141</b>	<b>6,938</b>	<b>10,215</b>	<b>5,587</b>	-	<b>50,889</b>
Net Book Value								
<b>As at 30 June 2005</b>	<b>321</b>	<b>49,580</b>	<b>11,030</b>	<b>1,415</b>	<b>3,708</b>	<b>4,815</b>	<b>7,490</b>	<b>78,359</b>
<b>As at 30 June 2004</b>	<b>321</b>	<b>47,120</b>	<b>15,770</b>	<b>2,239</b>	<b>2,518</b>	<b>4,042</b>	<b>7,197</b>	<b>79,207</b>



Independent professional valuers, Bageine & Company, revalued land and buildings as at 30 April 2004, on an open market with existing use basis. The adjustment of prior year accumulated depreciation of Shs 314 million is for properties which resulted into a loss on the last revaluation of 30 April 2004.

Capital-work- in-progress represents continuing works on the Bank's Integrated Security System and Information Technology applications and upgrades. Items disposed of were in respect of vehicles and furniture, which had a nil book value. All proceeds are credited directly to the income and expenditure account.

## 20 PREPAID OPERATING LEASE RENTALS

	2005	2004
Cost or Valuation	U Shs (m)	U Shs (m)
<b>Bfwd</b>	<b>6,970</b>	-
Valuation	-	6,970
Additions	1,878	-
<b>Cfwd</b>	<b>8,848</b>	<b>6,970</b>
<b>Amortization</b>		
<b>Bfwd</b>	<b>(228)</b>	-
Charge for the Year	(265)	(228)
<b>Cfwd</b>	<b>(493)</b>	<b>(228)</b>
<b>NBV</b>	<b>8,355</b>	<b>6,742</b>

## 21 ADVANCES TO GOVERNMENT

	2005	2004
	U Shs (m)	U Shs (m)
Government Ministries	189,572	243,102
Government Project Accounts	2,569	494
Uganda Consolidated Fund	859,038	917,862
Deferred Government Expenditure (see below)	31,907	71,235
Provisions (see below)	(12,173)	(12,073)
	<b>1,070,913</b>	<b>1,220,620</b>
Provisions on:		
Government Ministries	(1,475)	(1,609)
Government Project Accounts	(494)	(494)
Deferred Government Expenditure	(10,204)	(9,970)
	<b>(12,173)</b>	<b>(12,073)</b>

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



## 22 SDR ALLOCATION

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Special Drawing Rights (SDR) Allocation	74,644	77,168

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.

## 23 OTHER FOREIGN LIABILITIES

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Bank of Foreign Trade USSR	729	729
Multilateral Investment Guarantee Agency	38	39
IDA Subscription	55	55
	<b>822</b>	<b>823</b>

## 24 CURRENCY IN CIRCULATION

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Notes	660,573	575,516
Coins	40,946	32,253
Cash Held in Banking	(2,838)	(2,376)
Demonetised Currency	(100)	(100)
Office Imprest	(78)	(38)
	<b>698,503</b>	<b>605,255</b>

Cash held in banking relates to cashiers' cash on hand as at 30 June 2005.





## 25 UCBL SALES PROCEEDS

	<b>2005</b>	<b>2004</b>
	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 - B/fwd	2,089	2,089
Proceeds of Sale of Excluded Assets - Current Year	42	-
Rental Income from UCBL Assets	159	159
Settlement of Inter Bank Credit Balances in UCBL	952	952
	<b>47,286</b>	<b>47,244</b>
Settlement of Inter Bank Debit Balances in UCBL	(2,710)	(2,710)
Retrenchment Costs of UCBL Staff to Date	(9,040)	(9,040)
Consultancy Costs - B/fwd	(3,880)	(3,880)
Consultancy Costs - Current Year	(11)	-
Legal Costs	(1,295)	(1,295)
Arbitration Charges	(3,167)	(3,167)
Compensation for Maintenance of Up-Country Branches	(253)	(253)
Miscellaneous Expenses	(112)	(112)
	<b>26,818</b>	<b>26,787</b>
Provision for Excluded Liabilities	(1)	-
Provision for Unpaid Liabilities	(1,411)	(1,411)
	<b>25,406</b>	<b>25,376</b>

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.



<b>Provisions for unpaid Liabilities</b>	NBV	Proceeds	Unsold/ Outstanding
<b>Amounts due on Disposal of Properties</b>			
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	
Difference in Total Assets Transferred to BOU	<b>330</b>	<b>229</b>	<b>6</b>
<b>Balance on Motor Vehicles sold to Staff</b>			
Recoverable from Staff	1	1	
	<b>331</b>	<b>230</b>	<b>6</b>
<b>Difference in Subsidiary Ledger transferred from Mubende</b>			
Difference between Ledgers at Time of Computerisation	1		1
<b>Rural Farmers Scheme Inputs( Kapchorwa,Mbale and Kitgum)</b>			
Outstanding Amount in Branch Ledgers Re RFS	4		4
	<b>336</b>	<b>230</b>	<b>11</b>
<b>Property and Equipment</b>			
<b>Nkrumah Road Building</b>			
	Cost 1,310		
	Depn (159)		
	<b>NBV 1,151</b>	<b>1,900</b>	
<b>Total Assets Transferred to BOU</b>	<b>1,487</b>	<b>2,130</b>	
<b>TOTAL LIABILITIES TAKEN OVER</b>	<b>(1,487)</b>	<b>65</b>	<b>(1,422)</b>
<b>PROVISION FOR UNPAID LIABILITIES</b>			<b>(1,411)</b>

## 26 COMMERCIAL BANKS DEPOSITS

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Current Accounts	233,877	208,774
Collection from Closed Bank Loans	47,566	44,907
Physical Cash Recovered from Closed Commercial Banks	14,146	11,238
Repos Collection Account	700	57,152
Obligation Under SWAP Arrangement (also see note 22)	-	15,250
	<b>296,289</b>	<b>337,321</b>



## 27 GOVERNMENT DEPOSITS

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Government Ministries	298,043	380,080
Government Project Accounts	57,250	118,903
Government Capital Accounts	1,574,483	1,251,056
IMF Poverty Reduction Fund (see note 29)	270,912	365,064
Government Income Accounts	2	-
Government Deposits for Forex	3,121	4,632
Government Deposits for LCs	12,827	14,968
Special Divestiture	18	345
Government of Uganda Managed Funds through DFD	146,806	139,257
	<b><u>2,363,462</u></b>	<b><u>2,274,305</u></b>

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. 16,706 million.

## 28 IMF POVERTY REDUCTION LOAN

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.

## 29 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. 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 2005.

The Actuarial certification includes two pension arrangements; the Bank Of Uganda Retirement Benefits Scheme (RBS) and the Bank of Uganda Special Provident Fund (SPF) for financing pensions, under court order, in respect of a defined group of 73 VTS (Voluntary Termination of Service) ex-employees, who left service as at 31 December 1994. For accounting purposes a consolidated actuarial certification was given.

During the year ending 30 June 2005, the benefits of both the RBS and the SPF pensions were improved by the inclusion of post-retirement health costs.



The amounts recognised in the balance sheet are as follows:

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Present Value of Funded Defined Benefit Obligations	45,279	37,989
Fair Value of Plan Assets	<u>(35,500)</u>	<u>(30,000)</u>
Present Value of Unfunded Defined Benefits Obligation	9,779	7,989
Unrecognised Actuarial Gain	(3,325)	677
Unrecognised Transitional Loss	<u>(4,986)</u>	<u>(7,480)</u>
	<u>1,468</u>	<u>1,186</u>

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Current Service Cost	1,512	1,367
Interest Cost	3,127	2,858
Expected Return on Plan Assets	(2,549)	(2,109)
Net Actuarial (Gains) Losses Recognised in the Year	<u>2,494</u>	<u>2,494</u>
Total Included in Staff Costs	4,584	4,610
Employer Contribution	<u>(4,302)</u>	<u>(4,045)</u>
	<u>282</u>	<u>565</u>

The amounts recognised in the income statement are as follows:

The principle actuarial assumptions in real terms are as follows:

### 30 OTHER LIABILITIES

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Discount Rate	3.00%	3.00%
Expected Return on Plan Assets	3.00%	3.00%
Future Salary Increase	1.25%	1.25%
Future Pension Increase (ie, in line with price inflation)	0.00%	0.00%



	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Deposits from Other Institutions	1,858	3,621
Amounts due to Retirement Benefits Scheme - see note 1(o)	12,556	18,294
Amounts due to Deposit Protection Fund	24,166	19,508
Accounts Payable	17,218	12,618
Other Creditors	11,567	4,803
Provision for unpaid UCBL liabilities	1,411	1,411
	<b><u>68,776</u></b>	<b><u>60,255</u></b>

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.

### 31 SHARE CAPITAL

	<b>2005</b>	<b>2004</b>
	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 <b>20,000,000,000 Of Ushs 1.00 Each</b>	<b><u>20,000</u></b>	<b><u>20,000</u></b>

### 32 RESERVES

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Translation Reserve	145,431	220,478
Capital Reserve	26,618	28,545
Revenue Reserve	91,042	85,936
General Reserve	100	100
	<b><u>263,191</u></b>	<b><u>335,059</u></b>



## 33 EARMARKED FUNDS

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
Balance Development Funds b/w/d	<b>26,516</b>	<b>30,328</b>
Repayment/(Borrowing) - EFF Capital Movement	(800)	(4,200)
Income Net of Expenses	1,087	388
	<b>26,803</b>	<b>26,516</b>
Provision on EFF Loans	(5,758)	(5,758)
Balance Development Funds c/w/d	<b>21,045</b>	<b>20,758</b>
Accumulated Staff Building Loan Fund - see 34 (b)	7,757	10,028
	<b>28,802</b>	<b>30,786</b>

### (a) Earmarked Development Funds

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

### (b) Earmarked Building Loan Fund

The Bank set up a staff building revolving fund for the purpose of providing building loans to staff in order to facilitate ownership of homes. This fund although reflected as an earmarked fund, but the loans are included as receivables of the Bank. 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. The loans have been discounted at adjusted market interest rates to account for the concessionary element. The recognition of staff building and improvement loans initially at fair value has been adopted for the first time in the current period. The abridged balance sheet of the fund is as given below.

	<b>2005</b>	<b>2004</b>
	U Shs (m)	U Shs (m)
<b>Assets</b>		
Loans to Staff at Cost	7,968	8,333
Less fair value loss on initial recognition	(2,537)	-
Loans to Staff at Fair Value/Cost	5,431	8,333
Cash with BOU	2,326	1,695
	<b>7,757</b>	<b>10,028</b>
<b>Financed by</b>		
Capital Fund	8,138	8,138
Interest Income	(381)	1,890
	<b>7,757</b>	<b>10,028</b>



## **34 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.

### **(a) Legal Proceedings**

There were a number of legal proceedings against the Bank as at 30 June 2005. No provision has been made as the Bank's Legal Counsel advice indicates that it is unlikely that any significant loss will arise.

### **(b) Capital Commitments**

As at 30 June 2005, the Bank's capital commitments in respect of plant and equipment, office machine and equipment and building works amounted to Shs. 3,990 million. The Bank's management is confident that the net revenues and funding will be sufficient to cover this commitment.

## **35 CURRENCY**

The financial statements are presented in millions of Uganda shillings.



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## Appendix 1: Macro-Economic Indicators

	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
<b>Real Sector</b>										
GDP, Shs billion	5,565	5,855	7,576	8,203	8,955	9,978	10,252	11,780	13,200	15,134
GDP (at constant prices), Shs billion 1/	2,853	6,638	7,576	8,195	8,641	9,069	9,650	10,105	10,696	11,312
GDP (Annual Change %)	7.78	4.84	4.41	8.17	5.44	5.00	6.41	4.71	5.85	5.76
Industrial Production, Annual % Change	...	...	...	20	4	8	7	4	6	n.a
<b>Prices</b>										
<b>Annual Inflation, (%)</b>										
End of Period	5.4	10.4	-0.9	5.3	1.9	5.9	-2.5	10.2	0.9	10.7
Period Average	7.5	7.7	5.8	0.2	5.8	4.5	-2.0	5.7	5.2	8.0
<b>Exchange Rate (Sh/US\$)</b>										
End of Period	1,041.36	1,067.59	1,231.02	1,447.22	1,565.57	1,767.64	1,797.17	2,002.81	1,788.76	1,740.25
Period Average	1,011.80	1,058.10	1,149.70	1,362.03	1,512.78	1,762.92	1,754.56	1,998.23	1,934.88	1,737.69
<b>Interest Rates(% p.a., eop)</b>										
Bank Rate	15.40	15.10	14.58	11.15	26.99	9.07	8.33	19.58	12.87	12.87
Rediscount Rate	14.10	12.00	10.07	9.72	25.28	8.07	8.07	18.58	11.87	11.87
Reference Rate	11.75	9.76	7.07	7.72	19.28	6.07	5.33	18.12	6.17	6.17
Lending Rate	20.77	21.70	21.48	22.96	21.91	21.74	17.57	18.34	20.88	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	6.39
<b>Financial Sector</b>										
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	2,811.1
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	2,157.9
Base Money (Shs billion)	280.5	331.7	378.6	460.5	509.2	559.6	661.6	696.1	867.1	928.3
M2 growth (% p.a.)	20.7	15.8	23.7	9.1	8.8	15.2	24.9	17.3	10.0	10.0
M3 growth (% p.a.)	19.7	18.3	26.1	13.8	16.1	17.6	21.6	23.3	9.0	9.0
C1C/M2 (%)	34.5	31.3	28.1	29.9	29.6	29.3	27.3	26.7	27.5	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	18.6
M3 Velocity	8.9	8.1	7.5	6.8	6.5	6.2	14.5	14.8	14.6	14.3
Private Sector Credit	0.0	0.0	0.0	1.1	1.0	1.0	0.8	0.6	0.4	0.0
<b>External Sector</b>										
Exports, US\$ millions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
o/w Coffee	588.03	683.51	458.41	549.14	459.90	458.30	474.04	507.91	647.18	786.32
Imports (goods), US\$ millions	404.37	365.62	268.86	306.74	186.87	109.64	85.25	105.47	114.13	144.53
Current account balance (excluding grants)	-1,241.27	-1,307.73	-966.16	-1,039.42	-954.33	-953.29	-1,065.63	-1,128.69	-1,319.42	-1,623.07
Current account balance (including grants)	-525.45	-521.62	-863.39	-889.59	-781.11	-812.87	-793.65	-856.94	-776.01	-920.06
Overall Balance, US\$ millions	-232.40	-221.41	-356.35	-451.13	-414.32	-275.44	-307.98	-345.67	-81.20	-133.67
Debt Service ratio, incl IMF	19.56	104.84	9.58	-120.66	-106.87	11.54	19.26	53.23	192.17	234.34
Total External Reserves (US \$ million)	28.78	24.30	37.89	32.31	38.45	24.92	24.43	26.60	25.03	23.42
External Reserves (months of imports)	480	622	751	748	719	739	873	964	1,144	1,144
<b>Macro-economic Linkages</b>										
M1/GDP (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
M2/GDP (%)	8.0	8.3	7.4	7.9	8.0	8.3	10.0	10.1	10.1	9.7
Private sector credit/GDP (%)	11.2	12.1	11.5	11.6	11.3	12.0	14.5	14.8	14.6	14.2
Exports to GDP (%)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Imports to GDP (%)	10.0	11.2	7.0	9.1	7.8	8.1	8.1	8.1	9.5	9.0
C/A (excl grants) to GDP (%)	17.7	14.1	14.2	16.5	15.6	16.6	17.2	18.0	19.3	18.7
Fiscal Deficit (Cash Basis) to GDP (%)	-13.6	-8.8	-13.1	-14.8	-13.2	-14.4	-13.6	-13.7	-11.4	-10.6
Fiscal Deficit (Excluding Grants) to GDP (%)	11.5	12.8	10.6	11.6	11.3	10.9	12.2	12.2	12.6	12.3

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	2004/05
<b>Monetary Economy</b>								
<b>Agriculture</b>	<b>1,614,339</b>	<b>1,612,882</b>	<b>1,664,247</b>	<b>1,795,414</b>	<b>1,652,722</b>	<b>2,018,500</b>	<b>2,205,203</b>	<b>2,593,682</b>
Cash Crops	314,155	318,733	294,815	227,899	203,762	335,421	374,133	389,703
Food Crops	838,069	808,461	875,700	1,031,501	860,477	1,052,752	1,144,456	1,410,417
Livestock	248,514	265,723	275,799	290,756	302,053	321,446	344,586	380,736
Forestry	46,115	48,054	54,073	61,215	64,018	71,374	79,027	90,295
Fishing	167,485	171,912	163,859	184,042	222,411	237,508	263,001	322,532
<b>Mining &amp; Quarrying</b>	<b>46,774</b>	<b>55,319</b>	<b>62,923</b>	<b>73,660</b>	<b>80,299</b>	<b>86,268</b>	<b>95,246</b>	<b>118,094</b>
<b>Manufacturing</b>	<b>616,861</b>	<b>715,014</b>	<b>769,478</b>	<b>876,840</b>	<b>938,103</b>	<b>1,009,843</b>	<b>1,116,407</b>	<b>1,249,180</b>
Formal	420,090	510,609	547,451	635,467	682,238	739,791	818,281	918,770
Informal	196,771	204,405	222,027	241,373	255,865	270,052	298,127	330,410
<b>Electricity &amp; Water</b>	<b>97,353</b>	<b>104,598</b>	<b>112,429</b>	<b>123,420</b>	<b>135,566</b>	<b>148,689</b>	<b>164,908</b>	<b>180,322</b>
<b>Construction</b>	<b>434,057</b>	<b>543,740</b>	<b>620,353</b>	<b>703,761</b>	<b>794,111</b>	<b>952,326</b>	<b>1,141,800</b>	<b>1,286,368</b>
<b>Wholesale &amp; Retail Trade</b>	<b>768,762</b>	<b>866,904</b>	<b>920,395</b>	<b>1,052,716</b>	<b>1,068,657</b>	<b>1,208,417</b>	<b>1,349,288</b>	<b>1,518,560</b>
<b>Hotels &amp; Restaurants</b>	<b>144,555</b>	<b>164,897</b>	<b>195,410</b>	<b>231,813</b>	<b>268,215</b>	<b>304,618</b>	<b>380,857</b>	<b>452,339</b>
<b>Transport &amp; Communication</b>	<b>332,280</b>	<b>369,804</b>	<b>430,099</b>	<b>498,316</b>	<b>571,631</b>	<b>700,461</b>	<b>887,098</b>	<b>1,075,441</b>
Road	246,264	269,788	301,588	332,508	363,819	401,578	448,120	488,351
Rail	9,265	11,235	16,048	19,100	16,551	14,987	16,722	18,557
Air & Support Services	31,426	34,022	37,926	42,710	44,807	57,780	68,634	72,256
Communications	45,325	54,760	74,537	103,998	146,454	226,116	353,622	496,277
<b>Community Services</b>	<b>1,309,432</b>	<b>1,470,880</b>	<b>1,667,346</b>	<b>1,842,439</b>	<b>2,143,089</b>	<b>2,350,022</b>	<b>2,563,979</b>	<b>2,775,575</b>
General Government	275,000	306,686	348,297	381,177	483,349	510,385	557,289	587,137
Education	357,217	406,093	495,882	545,657	640,737	718,800	804,133	888,917
Health	138,737	156,925	177,476	192,767	234,141	268,471	281,920	323,127
Rents	280,424	326,869	348,587	382,726	423,138	457,602	488,956	528,129
Miscellaneous	258,054	274,307	297,104	340,112	361,723	394,764	431,680	448,264
<b>Total Monetary</b>	<b>5,364,414</b>	<b>5,904,038</b>	<b>6,442,680</b>	<b>7,198,379</b>	<b>7,652,393</b>	<b>8,779,144</b>	<b>9,904,786</b>	<b>11,249,560</b>
<b>Non-Monetary Economy</b>								
<b>Agriculture</b>	<b>1,287,212</b>	<b>1,235,081</b>	<b>1,386,004</b>	<b>1,555,184</b>	<b>1,261,353</b>	<b>1,498,428</b>	<b>1,621,997</b>	<b>2,061,169</b>
Food Crops	1,055,211	985,472	1,117,857	1,265,861	956,319	1,168,980	1,262,995	1,650,146
Livestock	129,192	142,345	151,683	161,764	171,480	184,123	200,580	230,064
Forestry	81,685	85,581	95,796	104,347	105,502	115,368	125,251	140,279
Fishing	21,124	21,683	20,667	23,213	28,052	29,956	33,171	40,680
<b>Construction</b>	<b>44,195</b>	<b>45,809</b>	<b>50,159</b>	<b>54,225</b>	<b>54,958</b>	<b>60,084</b>	<b>65,209</b>	<b>73,005</b>
<b>Owner-Occupied Dwellings</b>	<b>234,938</b>	<b>279,683</b>	<b>306,891</b>	<b>347,252</b>	<b>390,397</b>	<b>428,491</b>	<b>463,852</b>	<b>507,371</b>
<b>Total Non-Monetary</b>	<b>1,566,346</b>	<b>1,560,573</b>	<b>1,743,054</b>	<b>1,956,661</b>	<b>1,706,708</b>	<b>1,987,003</b>	<b>2,151,058</b>	<b>2,641,545</b>
<b>GDP at basic prices</b>	<b>6,930,760</b>	<b>7,464,611</b>	<b>8,185,733</b>	<b>9,155,040</b>	<b>9,359,102</b>	<b>10,766,147</b>	<b>12,055,844</b>	<b>13,891,105</b>
<b>Net taxes on products and imports</b>	<b>645,547</b>	<b>738,128</b>	<b>769,474</b>	<b>822,609</b>	<b>893,110</b>	<b>1,014,204</b>	<b>1,144,491</b>	<b>1,243,194</b>
<b>GDP at Market Prices</b>	<b>7,576,307</b>	<b>8,202,739</b>	<b>8,955,207</b>	<b>9,977,649</b>	<b>10,252,211</b>	<b>11,780,351</b>	<b>13,200,335</b>	<b>15,134,299</b>
<b>Per capita GDP (Shs.)</b>	<b>365,081</b>	<b>382,106</b>	<b>403,268</b>	<b>434,349</b>	<b>431,441</b>	<b>479,244</b>	<b>519,163</b>	<b>575,405</b>

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	2004/05
<b>Monetary Economy</b>								
<b>Agriculture</b>	<b>1,614,339</b>	<b>1,720,551</b>	<b>1,810,367</b>	<b>1,892,403</b>	<b>1,999,337</b>	<b>2,077,760</b>	<b>2,110,869</b>	<b>2,175,044</b>
Cash Crops	314,155	343,279	367,191	349,323	375,279	392,369	393,393	412,313
Food Crops	838,069	900,513	953,675	1,032,146	1,091,166	1,131,994	1,150,696	1,170,749
Livestock	248,514	258,761	267,385	277,544	289,772	301,050	304,431	318,023
Forestry	46,115	49,044	53,299	57,819	61,406	64,819	68,446	72,299
Fishing	167,485	168,953	168,818	175,570	181,713	187,528	193,904	201,660
<b>Mining &amp; Quarrying</b>	<b>46,774</b>	<b>53,573</b>	<b>56,972</b>	<b>62,753</b>	<b>69,680</b>	<b>70,517</b>	<b>74,354</b>	<b>86,940</b>
<b>Manufacturing</b>	<b>616,861</b>	<b>703,560</b>	<b>729,209</b>	<b>794,102</b>	<b>836,074</b>	<b>871,618</b>	<b>910,948</b>	<b>972,322</b>
Formal	420,090	498,929	515,332	569,849	600,897	627,521	657,872	707,270
Informal	196,771	204,631	213,878	224,253	235,177	244,098	253,076	265,052
<b>Electricity &amp; Water</b>	<b>97,353</b>	<b>102,540</b>	<b>110,690</b>	<b>119,750</b>	<b>126,212</b>	<b>131,989</b>	<b>140,736</b>	<b>149,160</b>
<b>Construction</b>	<b>434,057</b>	<b>489,770</b>	<b>509,874</b>	<b>516,355</b>	<b>585,598</b>	<b>653,511</b>	<b>743,686</b>	<b>834,919</b>
<b>Wholesale &amp; Retail Trade</b>	<b>768,762</b>	<b>852,758</b>	<b>865,423</b>	<b>921,733</b>	<b>978,994</b>	<b>1,023,686</b>	<b>1,063,562</b>	<b>1,109,569</b>
<b>Hotels &amp; Restaurants</b>	<b>144,555</b>	<b>164,568</b>	<b>195,293</b>	<b>209,142</b>	<b>246,976</b>	<b>265,416</b>	<b>316,064</b>	<b>347,102</b>
<b>Transport &amp; Communication</b>	<b>332,280</b>	<b>355,086</b>	<b>385,230</b>	<b>422,309</b>	<b>474,481</b>	<b>554,024</b>	<b>664,289</b>	<b>783,022</b>
Road	246,264	261,907	275,086	290,942	312,021	329,545	345,968	363,031
Rail	9,265	10,877	12,981	13,613	13,869	13,650	13,784	14,125
Air & Support Services	31,426	30,104	29,450	28,153	28,591	33,206	37,171	42,046
Communications	45,325	52,199	67,713	89,601	120,001	177,624	267,367	363,821
<b>Community Services</b>	<b>1,309,432</b>	<b>1,375,523</b>	<b>1,481,093</b>	<b>1,516,916</b>	<b>1,623,317</b>	<b>1,666,442</b>	<b>1,757,416</b>	<b>1,840,753</b>
General Government	275,000	285,847	298,870	299,379	325,498	299,949	322,471	320,226
Education	357,217	374,984	429,394	440,975	472,546	497,297	534,596	569,812
Health	138,737	151,695	163,498	155,448	167,545	179,722	182,739	197,926
Rents	280,424	297,915	312,704	327,698	344,818	361,835	378,582	396,270
Miscellaneous	258,054	265,083	276,626	293,416	312,910	327,638	339,028	356,519
<b>Total Monetary</b>	<b>5,364,414</b>	<b>5,817,931</b>	<b>6,144,150</b>	<b>6,455,462</b>	<b>6,940,669</b>	<b>7,314,962</b>	<b>7,781,924</b>	<b>8,298,832</b>
<b>Non-Monetary Economy</b>								
<b>Agriculture</b>	<b>1,287,212</b>	<b>1,349,795</b>	<b>1,431,510</b>	<b>1,497,836</b>	<b>1,523,730</b>	<b>1,525,338</b>	<b>1,548,996</b>	<b>1,561,219</b>
Food Crops	1,055,211	1,108,053	1,177,948	1,231,628	1,244,459	1,232,753	1,250,443	1,246,337
Livestock	129,192	135,022	141,948	149,922	159,205	168,409	170,075	181,804
Forestry	81,685	85,410	90,321	94,141	97,147	100,524	104,022	107,643
Fishing	21,124	21,309	21,292	22,144	22,919	23,652	24,456	25,435
<b>Construction</b>	<b>44,195</b>	<b>45,718</b>	<b>47,292</b>	<b>48,921</b>	<b>50,606</b>	<b>52,353</b>	<b>54,157</b>	<b>56,020</b>
<b>Owner-Occupied Dwellings</b>	<b>234,938</b>	<b>254,908</b>	<b>275,301</b>	<b>297,325</b>	<b>318,138</b>	<b>338,816</b>	<b>359,145</b>	<b>380,694</b>
<b>Total Non-Monetary</b>	<b>1,566,346</b>	<b>1,650,421</b>	<b>1,754,103</b>	<b>1,844,082</b>	<b>1,892,473</b>	<b>1,916,507</b>	<b>1,962,298</b>	<b>1,997,933</b>
<b>GDP at Basic prices</b>	<b>6,930,760</b>	<b>7,468,352</b>	<b>7,898,253</b>	<b>8,299,544</b>	<b>8,833,142</b>	<b>9,231,470</b>	<b>9,744,222</b>	<b>10,296,765</b>
<b>Net taxes on products and impo</b>	<b>645,547</b>	<b>726,846</b>	<b>742,945</b>	<b>769,908</b>	<b>817,285</b>	<b>873,264</b>	<b>951,974</b>	<b>1,015,588</b>
<b>GDP at Market Prices</b>	<b>7,576,307</b>	<b>8,195,198</b>	<b>8,641,198</b>	<b>9,069,451</b>	<b>9,650,427</b>	<b>10,104,734</b>	<b>10,696,196</b>	<b>11,312,353</b>
<b>Percapita GDP (Shs.)</b>	<b>358,951</b>	<b>375,345</b>	<b>382,594</b>	<b>388,186</b>	<b>399,299</b>	<b>404,144</b>	<b>413,555</b>	<b>422,828</b>

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	2004/05
<b>Monetary Economy</b>								
<b>Agriculture</b>	<b>23.29</b>	<b>23.04</b>	<b>22.92</b>	<b>20.87</b>	<b>20.72</b>	<b>20.56</b>	<b>19.73</b>	<b>19.23</b>
Cash Crops	4.53	4.60	4.65	3.85	3.89	3.88	3.68	3.64
Food Crops	12.09	12.06	12.07	11.38	11.31	11.20	10.76	10.35
Livestock	3.59	3.46	3.39	3.06	3.00	2.98	2.85	2.81
Forestry	0.67	0.66	0.67	0.64	0.64	0.64	0.64	0.64
Fishing	2.42	2.26	2.14	1.94	1.88	1.86	1.81	1.78
<b>Mining &amp; Quarrying</b>	<b>0.67</b>	<b>0.72</b>	<b>0.72</b>	<b>0.69</b>	<b>0.72</b>	<b>0.70</b>	<b>0.70</b>	<b>0.77</b>
<b>Manufacturing</b>	<b>8.90</b>	<b>9.42</b>	<b>9.23</b>	<b>8.76</b>	<b>8.66</b>	<b>8.63</b>	<b>8.52</b>	<b>8.60</b>
Formal	6.06	6.68	6.52	6.28	6.23	6.21	6.15	6.25
Informal	2.84	2.74	2.71	2.47	2.44	2.42	2.37	2.34
<b>Electricity &amp; Water</b>	<b>1.40</b>	<b>1.37</b>	<b>1.40</b>	<b>1.32</b>	<b>1.31</b>	<b>1.31</b>	<b>1.32</b>	<b>1.32</b>
<b>Construction</b>	<b>6.26</b>	<b>6.56</b>	<b>6.46</b>	<b>5.69</b>	<b>6.07</b>	<b>6.47</b>	<b>6.95</b>	<b>7.38</b>
<b>Wholesale &amp; Retail Trade</b>	<b>11.09</b>	<b>11.42</b>	<b>10.96</b>	<b>10.16</b>	<b>10.14</b>	<b>10.13</b>	<b>9.94</b>	<b>9.81</b>
<b>Hotels &amp; Restaurants</b>	<b>2.09</b>	<b>2.20</b>	<b>2.47</b>	<b>2.31</b>	<b>2.56</b>	<b>2.63</b>	<b>2.95</b>	<b>3.07</b>
<b>Transport &amp; Communication</b>	<b>4.79</b>	<b>4.75</b>	<b>4.88</b>	<b>4.66</b>	<b>4.92</b>	<b>5.48</b>	<b>6.21</b>	<b>6.92</b>
Road	3.55	3.51	3.48	3.21	3.23	3.26	3.23	3.21
Rail	0.13	0.15	0.16	0.15	0.14	0.14	0.13	0.12
Air & Support Services	0.45	0.40	0.37	0.31	0.30	0.33	0.35	0.37
Communications	0.65	0.70	0.86	0.99	1.24	1.76	2.50	3.22
<b>Community Services</b>	<b>18.89</b>	<b>18.42</b>	<b>18.75</b>	<b>16.73</b>	<b>16.82</b>	<b>16.49</b>	<b>16.43</b>	<b>16.27</b>
General Government	3.97	3.83	3.78	3.30	3.37	2.97	3.01	2.83
Education	5.15	5.02	5.44	4.86	4.90	4.92	5.00	5.04
Health	2.00	2.03	2.07	1.71	1.74	1.78	1.71	1.75
Rents	4.05	3.99	3.96	3.61	3.57	3.58	3.54	3.50
Miscellaneous	3.72	3.55	3.50	3.24	3.24	3.24	3.17	3.15
<b>Total Monetary</b>	<b>77.40</b>	<b>77.90</b>	<b>77.79</b>	<b>71.18</b>	<b>71.92</b>	<b>72.39</b>	<b>72.75</b>	<b>73.36</b>
<b>Non-Monetary Economy</b>								
<b>Agriculture</b>	<b>18.57</b>	<b>18.07</b>	<b>18.12</b>	<b>16.52</b>	<b>15.79</b>	<b>15.10</b>	<b>14.48</b>	<b>13.80</b>
Food Crops	15.23	14.84	14.91	13.58	12.90	12.20	11.69	11.02
Livestock	1.86	1.81	1.80	1.65	1.65	1.67	1.59	1.61
Forestry	1.18	1.14	1.14	1.04	1.01	0.99	0.97	0.95
Fishing	0.30	0.29	0.27	0.24	0.24	0.23	0.23	0.22
<b>Construction</b>	<b>0.64</b>	<b>0.61</b>	<b>0.60</b>	<b>0.54</b>	<b>0.52</b>	<b>0.52</b>	<b>0.51</b>	<b>0.50</b>
<b>Owner-Occupied Dwellings</b>	<b>3.39</b>	<b>3.41</b>	<b>3.49</b>	<b>3.28</b>	<b>3.30</b>	<b>3.35</b>	<b>3.36</b>	<b>3.37</b>
<b>Total Non-Monetary</b>	<b>22.60</b>	<b>22.10</b>	<b>22.21</b>	<b>20.33</b>	<b>19.61</b>	<b>18.97</b>	<b>18.35</b>	<b>17.66</b>
<b>GDP at Basic prices</b>	<b>91.48</b>	<b>91.13</b>	<b>91.40</b>	<b>91.51</b>	<b>91.53</b>	<b>91.36</b>	<b>91.10</b>	<b>91.02</b>
<b>Net taxes on products and imports</b>	<b>8.52</b>	<b>8.87</b>	<b>8.60</b>	<b>8.49</b>	<b>8.47</b>	<b>8.64</b>	<b>8.90</b>	<b>8.98</b>
<b>GDP at Market Prices</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

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	2004/05
<b>Monetary Economy</b>							
<b>Agriculture</b>	<b>6.58</b>	<b>5.22</b>	<b>4.53</b>	<b>5.65</b>	<b>3.92</b>	<b>1.59</b>	<b>3.04</b>
Cash Crops	9.27	6.97	-4.87	7.43	4.55	0.26	4.81
Food Crops	7.45	5.90	8.23	5.72	3.74	1.65	1.74
Livestock	4.12	3.33	3.80	4.41	3.89	1.12	4.46
Forestry	6.35	8.68	8.48	6.20	5.56	5.59	5.63
Fishing	0.88	-0.08	4.00	3.50	3.20	3.40	4.00
<b>Mining &amp; Quarrying</b>	<b>14.54</b>	<b>6.34</b>	<b>10.15</b>	<b>11.04</b>	<b>1.20</b>	<b>5.44</b>	<b>16.93</b>
<b>Manufacturing</b>	<b>14.05</b>	<b>3.65</b>	<b>8.90</b>	<b>5.29</b>	<b>4.25</b>	<b>4.51</b>	<b>6.74</b>
Formal	18.77	3.29	10.58	5.45	4.43	4.84	7.51
Informal	3.99	4.52	4.85	4.87	3.79	3.68	4.73
<b>Electricity &amp; Water</b>	<b>5.33</b>	<b>7.95</b>	<b>8.18</b>	<b>5.40</b>	<b>4.58</b>	<b>6.63</b>	<b>5.99</b>
<b>Construction</b>	<b>12.84</b>	<b>4.10</b>	<b>1.27</b>	<b>13.41</b>	<b>11.60</b>	<b>13.80</b>	<b>12.27</b>
<b>Wholesale &amp; Retail Trade</b>	<b>10.93</b>	<b>1.49</b>	<b>6.51</b>	<b>6.21</b>	<b>4.57</b>	<b>3.90</b>	<b>4.33</b>
<b>Hotels &amp; Restaurants</b>	<b>13.84</b>	<b>18.67</b>	<b>7.09</b>	<b>18.09</b>	<b>7.47</b>	<b>19.08</b>	<b>9.82</b>
<b>Transport &amp; Communication</b>	<b>6.86</b>	<b>8.49</b>	<b>9.62</b>	<b>12.35</b>	<b>16.76</b>	<b>19.90</b>	<b>17.87</b>
Road	6.35	5.03	5.76	7.24	5.62	4.98	4.93
Rail	17.39	19.35	4.87	1.88	-1.58	0.98	2.47
Air & Support Services	-4.21	-2.17	-4.41	1.56	16.14	11.94	13.12
Communications	15.17	29.72	32.33	33.93	48.02	50.52	36.08
<b>Community Services</b>	<b>5.05</b>	<b>7.67</b>	<b>2.42</b>	<b>7.01</b>	<b>2.66</b>	<b>5.46</b>	<b>4.74</b>
General Government	3.94	4.56	0.17	8.72	-7.85	7.51	-0.70
Education	4.97	14.51	2.70	7.16	5.24	7.50	6.59
Health	9.34	7.78	-4.92	7.78	7.27	1.68	8.31
Rents	6.24	4.96	4.79	5.22	4.94	4.63	4.67
Miscellaneous	2.72	4.35	6.07	6.64	4.71	3.48	5.16
<b>Total Monetary</b>	<b>8.45</b>	<b>5.61</b>	<b>5.07</b>	<b>7.52</b>	<b>5.39</b>	<b>6.38</b>	<b>6.64</b>
<b>Non-Monetary Economy</b>							
<b>Agriculture</b>	<b>4.86</b>	<b>6.05</b>	<b>4.63</b>	<b>1.73</b>	<b>0.11</b>	<b>1.55</b>	<b>0.79</b>
Food Crops	5.01	6.31	4.56	1.04	-0.94	1.44	-0.33
Livestock	4.51	5.13	5.62	6.19	5.78	0.99	6.90
Forestry	4.56	5.75	4.23	3.19	3.48	3.48	3.48
Fishing	0.88	-0.08	4.00	3.50	3.20	3.40	4.00
<b>Construction</b>	<b>3.44</b>	<b>3.44</b>	<b>3.44</b>	<b>3.44</b>	<b>3.45</b>	<b>3.44</b>	<b>3.44</b>
<b>Owner-Occupied Dwellings</b>	<b>8.50</b>	<b>8.00</b>	<b>8.00</b>	<b>7.00</b>	<b>6.50</b>	<b>6.00</b>	<b>6.00</b>
<b>Total Non-Monetary</b>	<b>5.37</b>	<b>6.28</b>	<b>5.13</b>	<b>2.62</b>	<b>1.27</b>	<b>2.39</b>	<b>1.82</b>
<b>GDP at basic prices</b>	<b>7.76</b>	<b>5.76</b>	<b>5.00</b>	<b>6.41</b>	<b>4.71</b>	<b>5.85</b>	<b>5.76</b>
<b>Net taxes on products and imports</b>	<b>12.59</b>	<b>2.21</b>	<b>3.60</b>	<b>6.15</b>	<b>6.85</b>	<b>9.01</b>	<b>6.68</b>
<b>GDP at market prices</b>	<b>8.17</b>	<b>5.44</b>	<b>5.00</b>	<b>6.41</b>	<b>4.71</b>	<b>5.85</b>	<b>5.76</b>

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	2004/05
GDP at basic prices	6,930,760	7,464,611	8,185,733	9,155,040	9,359,102	10,766,147	12,055,844	13,891,105
Indirect Taxes	645,547	738,128	769,474	822,609	893,110	1,014,204	1,144,491	1,243,194
<b>GDP at Market Prices</b>	<b>7,576,307</b>	<b>8,202,739</b>	<b>8,955,207</b>	<b>9,977,649</b>	<b>10,252,211</b>	<b>11,780,351</b>	<b>13,200,335</b>	<b>15,134,299</b>
Expenditure on GDP at current market prices (million shs)								
Expenditure Item	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
Private Consumption	6,055,871	6,419,441	7,069,882	8,095,996	8,250,341	9,285,061	10,118,130	11,506,014
of which - Foodcrops	2,072,731	1,966,834	2,220,442	2,561,180	2,030,148	2,379,493	2,578,852	3,273,027
- Other Goods	2,335,457	2,594,149	2,849,055	3,119,609	3,390,163	3,660,717	3,931,271	4,201,825
- Services	1,647,684	1,858,457	2,000,386	2,415,208	2,830,030	3,244,852	3,608,007	4,031,163
Government Consumption	975,765	1,094,001	1,239,195	1,341,228	1,563,149	1,744,360	1,916,244	2,147,561
Fixed Capital Formation	1,184,923	1,566,986	1,715,147	1,765,600	1,941,287	2,368,060	2,925,129	3,367,561
Private	365,111	508,802	550,199	546,121	539,902	552,952	2,233,677	2,614,400
Public	819,812	1,058,183	1,164,948	1,219,479	1,401,385	1,815,109	691,451	753,161
Construction	885,767	1,099,945	2,220,442	2,561,180	2,030,148	2,379,493	2,578,852	3,273,027
Private	288,596	351,628	375,471	381,700	377,740	376,129	1,643,877	1,910,701
Public	597,171	748,318	879,946	881,245	1,046,999	1,335,187	406,078	404,262
Machinery & Vehicles	299,156	467,040	459,730	502,655	516,548	656,744	875,174	1,052,598
Private	76,514	157,175	174,728	164,421	162,162	176,822	589,801	703,699
Public	222,642	309,866	285,002	338,234	354,386	479,922	285,373	348,899
Net Change in stock	39,591	23,182	28,514	39,975	40,438	46,168	45,624	64,641
Plus Exports	750,433	1,019,499	940,797	1,134,714	1,222,383	1,441,932	1,803,078	1,849,370
Goods	548,722	766,161	633,183	748,560	827,628	934,821	1,136,037	1,228,074
Services	201,711	253,338	307,614	386,154	394,755	507,112	667,041	621,296
Less Imports	1,544,644	1,981,677	2,059,426	2,450,010	2,710,916	3,119,168	3,634,280	3,872,475
Goods, fob	1,072,727	1,356,404	1,394,921	1,659,443	1,761,363	2,128,721	2,556,305	2,749,796
Services	471,917	625,273	664,505	790,567	949,554	990,447	1,077,975	1,122,679
<b>Total Expenditure on GDP</b>	<b>7,461,939</b>	<b>8,141,432</b>	<b>8,934,109</b>	<b>9,927,503</b>	<b>10,306,681</b>	<b>11,766,414</b>	<b>13,173,924</b>	<b>15,062,672</b>
Statistical Discrepances	114,368	61,307	21,100	50,146	(54,469)	13,937	26,410	71,627
<b>GDP at Market Prices</b>	<b>7,576,307</b>	<b>8,202,739</b>	<b>8,955,209</b>	<b>9,977,649</b>	<b>10,252,212</b>	<b>11,780,351</b>	<b>13,200,335</b>	<b>15,134,299</b>
Statistical Discrepancy as % of GDP								
at Market prices	1.5	0.7	0.2	0.5	(0.5)	0.1	0.2	0.5

Source: Uganda Bureau of Statistics



## Appendix 7: Gross Domestic Product at Constant 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	2004/05
GDP at basic prices	6,930,760	7,468,352	7,898,253	8,299,544	8,833,142	9,231,470	9,744,222	10,296,765
Indirect Taxes	645,547	726,846	742,945	769,908	817,285	873,264	951,974	1,015,588
<b>GDP at Market Prices</b>	<b>7,576,307</b>	<b>8,195,198</b>	<b>8,641,198</b>	<b>9,069,451</b>	<b>9,650,427</b>	<b>10,104,734</b>	<b>10,696,196</b>	<b>11,312,353</b>
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	2004/05
Private Consumption	6,055,871	6,502,353	6,845,331	7,378,337	7,867,125	8,213,257	8,494,175	8,777,960
of which - Foodcrops	2,072,731	2,201,221	2,376,048	2,525,394	2,608,317	2,534,064	2,573,219	2,591,825
- Other Goods	2,335,457	2,551,274	2,668,023	2,793,359	2,966,206	3,149,681	3,205,276	3,273,579
- Services	1,647,684	1,749,858	1,801,260	2,059,583	2,292,601	2,529,512	2,715,680	2,912,556
Government Consumption	975,765	1,022,451	1,092,042	1,091,728	1,156,229	1,207,121	1,281,322	1,377,606
Fixed Capital Formation	1,184,923	1,382,842	1,381,487	1,279,772	1,422,865	1,573,296	1,799,927	1,995,884
Private	819,812	958,182	970,410	920,277	1,066,240	1,249,756	1,433,295	1,609,411
Public	365,111	424,659	411,077	359,495	356,625	323,540	366,632	386,474
Construction	885,767	998,172	1,041,628	939,316	1,064,544	1,189,677	1,351,765	1,515,087
Private	597,171	702,967	759,720	691,186	820,408	969,423	1,131,267	1,287,980
Public	288,596	295,205	281,908	248,130	244,136	220,254	220,498	227,106
Machinery & Vehicles	299,156	384,670	339,860	340,456	358,321	383,619	448,162	480,798
Private	222,642	255,215	210,690	229,091	245,832	280,333	302,027	321,430
Public	76,514	129,454	129,169	111,365	112,489	103,286	146,135	159,367
Net Change in stock	39,591	22,471	31,190	45,471	38,955	40,565	40,351	55,387
Exports	750,433	946,772	877,782	1,004,274	1,127,053	1,187,708	1,352,445	1,414,407
Goods	548,722	725,609	633,009	734,858	852,488	855,945	929,555	990,875
Services	201,711	221,163	244,773	269,416	274,565	331,764	422,890	423,532
Imports	1,544,644	1,728,403	1,641,139	1,741,406	1,972,783	2,012,081	2,155,798	2,204,913
Goods, fob	1,072,727	1,205,898	1,132,555	1,211,054	1,336,390	1,423,363	1,560,822	1,614,347
Services	471,917	522,505	508,584	530,352	636,394	588,719	594,976	590,566
Total Expenditure on GDP	7,461,939	8,148,486	8,586,693	9,058,174	9,639,443	10,209,866	10,812,423	11,416,332
Statistical Discrepancies	114,368	46,712	54,505	11,277	10,985	-105,132	-116,227	-103,979
<b>GDP at Market Prices</b>	<b>7,576,307</b>	<b>8,195,198</b>	<b>8,641,198</b>	<b>9,069,451</b>	<b>9,650,427</b>	<b>10,104,734</b>	<b>10,696,196</b>	<b>11,312,353</b>
Statistical Discrepancy as % of GDP at Market prices	1.5	0.6	0.6	0.1	0.1	(1.0)	(1.1)	(0.9)

Source: Uganda Bureau of Statistics









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

		1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
<b>Coffee</b>	<b>Value</b>	<b>404.369</b>	<b>365.620</b>	<b>268.858</b>	<b>306.740</b>	<b>186.870</b>	<b>109.644</b>	<b>85.254</b>	<b>105.473</b>	<b>114.129</b>	<b>114.129</b>	<b>144.527</b>
	Volume, 60-Kg bags	3.92	4.41	2.86	3.75	3.04	2.84	3.16	2.99	2.55	2.55	2.52
	Unit Value	1.72	1.38	1.57	1.36	1.02	0.64	0.45	0.59	0.75	0.75	0.96
<b>Non-Coffee</b>	<b>Value</b>	<b>183.662</b>	<b>317.892</b>	<b>189.552</b>	<b>242.399</b>	<b>251.798</b>	<b>322.043</b>	<b>384.788</b>	<b>395.194</b>	<b>525.900</b>	<b>525.900</b>	<b>633.212</b>
	Electricity	2.514	8.120	11.956	12.270	13.761	16.668	13.940	15.473	12.639	12.639	8.252
	Volume (gigawatts)	...	...	...	...	209.89	224.86	195.51	251.06	198.60	198.60	131.05
	Unit value	...	...	...	...	0.07	0.07	0.07	0.06	0.06	0.06	0.06
<b>Gold</b>	<b>Value</b>	<b>35.150</b>	<b>110.537</b>	<b>25.453</b>	<b>27.946</b>	<b>39.393</b>	<b>58.487</b>	<b>56.668</b>	<b>48.184</b>	<b>58.487</b>	<b>58.487</b>	<b>71.326</b>
<b>Cotton</b>	<b>Value</b>	<b>13.258</b>	<b>28.634</b>	<b>11.382</b>	<b>10.827</b>	<b>22.499</b>	<b>14.079</b>	<b>18.000</b>	<b>16.880</b>	<b>42.836</b>	<b>42.836</b>	<b>41.343</b>
	Volume ('000 m tons)	8.27	18.72	7.36	8.64	21.44	12.14	22.50	16.36	29.56	29.56	42.13
	Unit value (US \$/kg)	1.60	1.53	1.56	1.25	1.05	1.16	0.80	1.03	1.45	1.45	0.98
<b>Tea</b>	<b>Value</b>	<b>10.022</b>	<b>21.321</b>	<b>35.033</b>	<b>22.668</b>	<b>31.876</b>	<b>35.933</b>	<b>26.851</b>	<b>29.455</b>	<b>39.250</b>	<b>39.250</b>	<b>33.130</b>
	Volume ('000 m tons)	12.37	16.87	22.18	21.64	23.96	28.09	30.30	31.14	36.18	36.18	34.01
	Unit value (US \$/kg)	0.81	1.26	1.60	1.05	1.33	1.28	0.89	0.95	1.08	1.08	0.97
<b>Tobacco</b>	<b>Value</b>	<b>7.941</b>	<b>8.607</b>	<b>10.811</b>	<b>22.863</b>	<b>22.432</b>	<b>27.644</b>	<b>32.270</b>	<b>39.891</b>	<b>36.160</b>	<b>36.160</b>	<b>36.205</b>
	Volume ('000 m tons)	4.33	4.57	7.43	10.59	10.31	12.77	17.62	23.48	24.91	24.91	28.63
	Unit value (US \$/kg)	1.83	1.88	1.46	2.16	2.18	2.16	1.83	1.70	1.45	1.45	1.26
<b>Fish &amp; its Products</b>	<b>Value</b>	<b>37.595</b>	<b>34.625</b>	<b>27.984</b>	<b>47.568</b>	<b>18.643</b>	<b>50.112</b>	<b>80.848</b>	<b>83.783</b>	<b>88.815</b>	<b>88.815</b>	<b>121.220</b>
	Volume ('000 m tons)	13.65	11.58	9.90	16.29	9.82	22.31	27.37	24.13	29.14	29.14	37.84
	Unit value (US \$/kg)	2.75	2.99	2.83	2.92	1.90	2.25	2.95	3.47	3.05	3.05	3.20
<b>Fish (Regional Exports)</b>	<b>Value</b>	...	...	...	...	6.152	16.537	26.680	27.648	29.309	29.309	48.391
	Volume ('000 m tons)	...	...	...	...	10.80	24.54	30.11	26.54	32.05	32.05	40.39
	Unit value (US \$/kg)	...	...	...	...	0.57	0.67	0.89	1.04	0.91	0.91	1.20
<b>Hides &amp; Skins</b>	<b>Value</b>	<b>8.864</b>	<b>7.835</b>	<b>7.834</b>	<b>6.613</b>	<b>6.147</b>	<b>22.700</b>	<b>19.649</b>	<b>4.182</b>	<b>5.860</b>	<b>5.860</b>	<b>6.377</b>
	Volume ('000 m tons)	5.15	5.21	6.28	11.41	8.29	17.85	23.29	15.67	22.65	22.65	23.78
	Unit value (US \$/kg)	1.72	1.50	1.25	0.58	0.74	1.27	0.84	0.27	0.26	0.26	0.27
<b>Sim sim</b>	<b>Value</b>	<b>9.710</b>	<b>0.983</b>	<b>0.038</b>	<b>1.342</b>	<b>0.825</b>	<b>0.657</b>	<b>0.468</b>	<b>1.550</b>	<b>3.382</b>	<b>3.382</b>	<b>3.067</b>
	Volume ('000 m tons)	14.82	1.66	0.06	2.28	1.05	1.49	1.31	4.93	5.38	5.38	4.45
	Unit value (US \$/kg)	0.66	0.59	0.61	0.59	0.79	0.44	0.36	0.31	0.63	0.63	0.69
<b>Maize</b>	<b>Value</b>	<b>9.428</b>	<b>16.526</b>	<b>8.080</b>	<b>5.888</b>	<b>4.010</b>	<b>6.134</b>	<b>13.068</b>	<b>8.163</b>	<b>18.759</b>	<b>18.759</b>	<b>13.293</b>
	Volume ('000 m tons)	59.06	70.81	33.48	26.77	11.74	29.59	89.97	33.82	97.64	97.64	52.49
	Unit value (US \$/kg)	0.16	0.23	0.24	0.23	0.34	0.21	0.15	0.24	0.19	0.19	0.25
<b>Beans</b>	<b>Value</b>	<b>7.476</b>	<b>5.977</b>	<b>2.195</b>	<b>4.620</b>	<b>4.818</b>	<b>2.041</b>	<b>1.449</b>	<b>5.491</b>	<b>4.866</b>	<b>4.866</b>	<b>4.327</b>
	Volume ('000 m tons)	20.49	14.82	4.49	7.69	12.17	14.42	4.10	19.24	17.26	17.26	14.17
	Unit value (US \$/kg)	0.36	0.40	0.49	0.60	0.40	0.14	0.35	0.29	0.28	0.28	0.31
<b>Flowers</b>	<b>Value</b>	<b>5.364</b>	<b>5.252</b>	<b>6.816</b>	<b>7.199</b>	<b>8.290</b>	<b>13.221</b>	<b>15.907</b>	<b>17.040</b>	<b>27.157</b>	<b>27.157</b>	<b>31.705</b>
	Volume ('000 m tons)	...	0.62	...	...	2.18	3.47	4.29	4.74	6.05	6.05	6.68
	Unit value (US \$/kg)	...	...	...	...	3.81	3.81	3.71	3.60	4.49	4.49	4.75
<b>Oil re-exports</b>	<b>Value</b>	<b>6.440</b>	<b>11.572</b>	<b>9.574</b>	<b>11.799</b>	<b>7.901</b>	<b>11.116</b>	<b>7.251</b>	<b>11.690</b>	<b>34.317</b>	<b>34.317</b>	<b>33.051</b>
<b>Cobalt</b>	<b>Value</b>	...	...	...	...	7.336	12.784	10.945	1.916	2.686	2.686	13.703
	Volume ('000 m tons)	...	...	...	...	248.88	533.10	674.49	139.32	101.54	101.54	518.77
	Unit value (US \$/kg)	...	...	...	...	29.48	23.98	16.23	13.75	26.45	26.45	26.41
<b>Others Exports</b>	<b>Value</b>	<b>29.900</b>	<b>57.902</b>	<b>32.396</b>	<b>60.796</b>	<b>57.716</b>	<b>50.468</b>	<b>60.794</b>	<b>84.284</b>	<b>121.377</b>	<b>121.377</b>	<b>167.822</b>
<b>Imputed Exports</b>	<b>Value</b>	...	...	...	...	<b>21.231</b>	<b>10.078</b>	<b>3.994</b>	<b>6.809</b>	<b>7.150</b>	<b>7.150</b>	<b>8.580</b>
<b>Total Value Exports</b>		<b>588.031</b>	<b>683.511</b>	<b>458.410</b>	<b>549.139</b>	<b>459.899</b>	<b>458.302</b>	<b>474.036</b>	<b>507.477</b>	<b>647.179</b>	<b>647.179</b>	<b>786.319</b>

Source: Bank of Uganda



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

Description	1997	1998	1999	2000	2001	2002	2003				2004				2005	
							Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Animal & Animal Products	4319	9333	6242	5400	35921	11373	2718	2663	3106	2184	1996	2106	2372	2829	2555	2022
Vegetable Products, Animal, Beverages, Fats & Oil	79976	118515	97949	86436	124481	158702	40086	48341	54991	36389	41506	49212	63867	63052	57172	97783
Prepared Foodstuff, Beverages & Tobacco	19967	44727	36999	43218	36580	36699	6958	9373	9549	1385	882	12477	13288	14501	11624	15074
Mineral Products (excluding Petroleum products)	18580	51103	35317	28978	37997	50351	16587	17018	19093	16963	18249	17629	21523	21699	26441	22347
Petroleum Products	112103	107736	116353	159873	158212	145999	41841	41758	39848	40309	4248	44024	4246	45882	47621	34741
Chemical & Related Products	80396	110180	132137	102209	130822	132621	37099	40846	44438	43322	40823	50599	57637	45133	41758	43411
Plastics, Rubber & Related Products	37605	53752	53665	44067	54081	55623	13934	1881	18543	20067	17726	21219	24662	27297	25407	28207
Wood & Wood Products	26161	40325	44622	47557	48537	57462	15715	12505	13681	25391	1786	17728	19323	31161	23905	17654
Textile & Textile Products	43411	56916	63407	46983	59737	67047	17098	18924	1737	237	18347	19421	23004	2574	22464	15282
Miscellaneous Manufactured Articles	30723	51078	62119	53872	54215	56558	20734	16554	23444	24277	24617	28703	23978	27918	21416	22595
Base Metals and their Products	61727	82720	78694	73543	70481	94746	21519	27662	31584	25235	2755	34515	42741	44287	40306	4187
Machinery Equipments, Vehicles & Accessories	195192	311241	289346	280926	309921	325167	85123	85039	91907	99778	111238	121063	13737	12265	119546	1078668
Arms, Ammunitions & Accessories	0023	0082	0126	0174	0445	0134	0012	0225	0157	0562	0555	0005	0178	0033	0	1724
<b>Total</b>	<b>710183</b>	<b>1,037,767</b>	<b>1,016,916</b>	<b>953,246</b>	<b>1,121,380</b>	<b>1,192,472</b>	<b>319,424</b>	<b>339,708</b>	<b>367,711</b>	<b>372,037</b>	<b>371,797</b>	<b>418,701</b>	<b>472,373</b>	<b>472,192</b>	<b>440,215</b>	<b>460,568</b>

Source: Bank of Uganda







## Appendix 14: Government Recurrent Revenue (million shs).

Source of Revenue	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
<b>Tax Revenue</b>	<b>322,101</b>	<b>522,229</b>	<b>638,719</b>	<b>717,181</b>	<b>821,781</b>	<b>969,791</b>	<b>1,009,085</b>	<b>1,130,077</b>	<b>1,253,178</b>	<b>1,453,899</b>	<b>1,696,548</b>	<b>1,850,211</b>
Income Tax	14,609	77,170	82,919	102,406	124,841	170,038	181,978	223,971	284,014	350,444	437,015	485,156
P.A.Y.E	14,609	20,329	25,023	38,458	48,404	67,660	83,469	104,208	137,305	168,335	200,308	221,554
Other 1/	...	56,841	57,896	63,948	76,437	102,378	98,509	119,763	146,709	182,109	236,707	263,602
Export duties	...	14,249	12,855	2,484	346	48	...	27	...	593	1,390	1,513
Coffee (Stabilization Tax)	...	14,249	12,855	2,484	346	48	...	...	...	...	...	...
Other	...	...	...	...	...	...	...	...	...	...	...	...
Customs duties	137,318	190,905	237,497	264,832	261,118	277,925	286,900	305,382	339,387	359,807	417,355	480,913
Petroleum Products	84,710	119,663	150,962	197,332	187,927	193,208	197,201	199,341	220,736	232,110	269,846	297,525
Other	52,608	71,242	86,535	67,500	73,191	84,717	89,699	106,041	118,651	127,697	147,509	183,388
Excise Duty	41,776	51,965	67,686	102,140	116,438	130,894	132,943	128,638	139,265	152,214	178,993	182,663
Sales Tax & V.A.T.	108,879	158,745	204,263	219,829	266,685	328,415	359,303	403,162	431,688	519,755	583,565	628,902
Imported	46,959	74,882	93,930	127,303	150,506	188,406	195,377	228,452	218,592	275,222	342,631	374,596
Local	46,339	61,557	84,585	64,084	64,210	74,765	76,586	89,966	107,402	123,382	128,028	141,400
C.T.L	15,581	22,306	25,748	28,442	51,969	65,244	87,340	84,744	105,694	121,151	112,906	112,906
Other Tax Revenues 2/	19,520	29,195	33,499	25,490	52,353	62,471	47,961	68,897	58,824	71,085	78,230	71,064
<b>Treasury Credit Notes</b>	<b>22,810</b>	<b>23,240</b>	<b>29,280</b>	<b>6,700</b>	<b>9,290</b>	<b>11,300</b>	<b>23,570</b>	<b>15,243</b>	<b>13,174</b>	<b>12,729</b>	<b>15,000</b>	<b>15,000</b>
<b>Non-Tax Revenue</b>	<b>43,133</b>	<b>8,965</b>	<b>7,936</b>	<b>2,672</b>	<b>9,456</b>	<b>12,935</b>	<b>27,954</b>	<b>39,660</b>	<b>47,300</b>	<b>9,799</b>	<b>10,534</b>	<b>12,028</b>
<b>Total Recurrent Revenue</b>	<b>388,044</b>	<b>554,434</b>	<b>675,935</b>	<b>726,553</b>	<b>840,527</b>	<b>994,026</b>	<b>1,060,609</b>	<b>1,184,980</b>	<b>1,313,652</b>	<b>1,476,428</b>	<b>1,722,081</b>	<b>1,877,239</b>

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	2004/05
<b>Government Consumption:</b>	<b>173,019</b>	<b>239,374</b>	<b>267,022</b>	<b>318,289</b>	<b>384,418</b>	<b>397,862</b>	<b>492,608</b>	<b>526,489</b>	<b>623,633</b>	<b>779,150</b>	<b>764,993</b>	<b>741,670</b>	<b>868,374</b>	<b>979,730</b>
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	387,628	374,988
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	334,684	401,279
Indirect Taxes	...	...	...	...	1,032	...	...	69,305	64,361	79,668	127,308	113,348	106,880	150,018
Domestic Arrears	...	...	...	...	15,602	23,094	45,408	61,695	94,343	163,596	63,723	28,933	39,181	53,445
<b>Financial Transactions:</b>	<b>...</b>	<b>121,009</b>	<b>135,521</b>	<b>104,140</b>	<b>104,426</b>	<b>93,948</b>	<b>145,289</b>	<b>302,760</b>	<b>122,311</b>	<b>86,723</b>	<b>144,749</b>	<b>320,800</b>	<b>396,573</b>	<b>429,430</b>
Interest on External Debt	...	...	...	...	...	...	39,955	123,780	34,409	23,414	4,228	71,000	68,900	68,108
Interest on Domestic Debt	...	...	...	...	...	14,736	20,046	18,828	17,970	24,431	93,173	73,600	192,800	193,500
Repayment of Domestic Debt	...	...	...	...	...	...	...	60,000	...	...	88	...	14,600	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	120,200	167,803
Depreciation of Financial Assets	...	...	...	...	809	1,037	1,140	1,240	1,000	1,265	1,555	...	73	19
<b>Current Transfers to:</b>	<b>...</b>	<b>18,930</b>	<b>27,981</b>	<b>28,632</b>	<b>27,296</b>	<b>32,935</b>	<b>60,463</b>	<b>98,169</b>	<b>114,209</b>	<b>131,980</b>	<b>283,821</b>	<b>184,280</b>	<b>180,727</b>	<b>206,823</b>
Education Institutions	...	...	...	...	...	...	17,762	20,822	26,923	22,432	31,404	29,140	34,911	20,984
Transfer to Local Authorities	...	...	...	...	...	...	1,180	1,269	1,305	614	464	600	0	0
International Organisations	...	...	...	...	...	...	2,494	5,199	4,210	4,689	4,157	4,561	7,284	7,447
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	216	2,557
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	584	6,502
Autonomous Institutions	...	4,691	3,252	2,134	1,195	2,324	1,566	2,462	7,091	7,957	2,370	7,583	37,785	54,353
Other Contributions	...	...	...	...	...	5	26	14,365	390	231	5,181	5,243	6,779	30
Pensions & Gratuity	...	...	...	...	...	...	22,191	17,943	37,099	41,188	58,981	65,688	62,909	77,800
Research Projects	...	351	1,001	536	472	342	283	245	6,521	452	1,432	1,882	53	234
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	20,340	22,046
Employment Costs	...	4,372	13,686	8,423	8,085	13,427	...	...	...	...	...	...	...	...
Poverty Action Fund (PAF)	...	...	...	...	...	...	...	...	1,813	3,560	4,946	15,766	6,061	6,726
Retrenchment Costs	...	...	...	...	417	7	32	1,250	...	1,715	3,119	1,113	24	808
EAC 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	2,779	7,334
Other Expenditure	...	...	...	...	...	...	...	...	535	...	106,874	1,700	1,000	...
<b>Total</b>	<b>173,019</b>	<b>379,313</b>	<b>430,524</b>	<b>451,061</b>	<b>516,140</b>	<b>524,745</b>	<b>698,360</b>	<b>927,418</b>	<b>860,153</b>	<b>997,853</b>	<b>1,193,563</b>	<b>1,246,750</b>	<b>1,445,674</b>	<b>1,615,984</b>

### 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 (UNEB).
- 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)

	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
General Public Administration	130,867	169,385	129,413	112,547	195,942	137,397	194,800	335,102	301,080	225,716	222,702	313,868
Defence Affairs and Services	84,000	111,607	124,343	147,618	138,214	226,542	223,029	224,421	235,335	254,834	338,724	358,338
Public Order and Safety Affairs	31,147	48,505	54,786	62,622	74,163	76,947	93,472	103,499	109,531	132,684	142,167	165,585
Education Affairs and Services	50,323	61,153	51,948	62,828	72,036	84,976	127,364	115,750	124,864	115,268	142,321	125,002
Health Affairs and Services	19,786	21,638	21,264	26,534	29,592	25,168	26,396	40,904	57,659	76,653	82,353	86,829
Community Social Services	8,250	6,885	8,461	9,601	7,721	7,421	15,958	15,638	9,285	11,458	9,276	9,013
Agriculture, Veterinary, Forestry, etc.	4,773	8,544	3,614	5,689	5,635	7,283	6,613	7,736	7,941	8,968	7,305	11,694
Road Transport Affairs & Services	10,650	9,020	6,754	7,052	9,309	11,942	16,075	16,683	22,123	24,292	25,054	25,975
Other Economic Affairs & Services	14,325	14,744	22,058	8,436	10,002	13,076	9,036	10,364	12,971	13,875	14,919	12,140
Interest on External Public Debt	...	...	...	...	39,955	123,780	34,409	...	...	...	...	...
Interest on Domestic Public Debt	...	...	...	...	20,046	18,826	17,970	...	...	...	...	...
Repayment of Domestic Public Debt	...	...	...	14,736	...	60,000	...	...	...	...	...	...
Repayment of External Public Debt	135,521	104,140	103,617	78,175	84,148	98,912	68,932	85,458	142,734	320,800	396,500	429,411
Civil Service Pensions & Gratuities	...	...	6,481	7,655	10,792	10,021	24,153	17,996	42,298	58,966	62,909	77,800
Compensation to former employees of EAC	...	...	...	824	774	1,997	1,946	24,302	127,742	3,236	1,442	327
Transfers to International Organisations except EAC	...	...	...	...	...	...	...	...	...	...	...	...
Other Transfers	...	...	1,032	...	...	21,878	...	...	...	...	...	...
Employment costs	...	...	417	7	32	1,250	...	...	...	...	...	...
<b>Total</b>	<b>489,641</b>	<b>555,620</b>	<b>534,189</b>	<b>544,324</b>	<b>698,361</b>	<b>927,416</b>	<b>860,153</b>	<b>997,853</b>	<b>1,193,563</b>	<b>1,246,750</b>	<b>1,445,674</b>	<b>1,615,984</b>

### 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 (UNEBC).
- 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)

	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
Consultants	...	...	...	...	1,335	1,987	3,787	9,043	12,701	14,132	13,782	14,061
Wages & Salaries	...	...	10,423	12,036	9,809	11,902	19,400	17,224	22,186	25,360	25,664	26,113
Parastatal Bodies	3,400	3,731	3,750	2,048	5,776	7,028	7,331	...	...	...	147	0
Building & Construction	24,438	21,219	12,325	16,220	18,923	43,525	46,496	43,284	49,576	64,562	41,786	51,170
Roads	4,612	12,012	15,384	31,516	22,596	29,012	50,409	59,891	72,404	67,059	62,790	88,232
Transport Equipment	3,798	5,789	6,035	7,418	6,425	8,229	13,280	19,865	25,609	24,333	25,823	32,935
Machinery & Equipment	4,195	18,330	5,511	8,879	10,623	23,637	3,165	15,355	19,336	21,963	15,398	18,087
Purchase and/or Improvement of Land	973	1,402	...	42	...	...	...	8,359	9,229	10,676	26,891	5,761
Other Fixed Assets	...	...	684	3,120	...	...	12,667	21,104	18,535	23,103	2,025	24,604
Breeding Stocks	317	863	...	...	...	...	...	...	...	...	...	...
Entadikwa Scheme	...	4,492	2,932	2,500	...	...	...	...	...	...	...	...
Arrears	...	...	...	416	14,503	7,033	25,774	11,186	9,235	9,833	5,016	3,567
Taxes	...	...	1,995	15,373	34,958	48,767	57,762	61,634	78,462	111,216	93,159	67,038
Other Goods & Services	8,870	9,738	16,035	20,233	19,271	31,636	53,161	55,350	90,867	84,392	71,298	81,694
<b>Total</b>	<b>50,603</b>	<b>77,576</b>	<b>75,074</b>	<b>119,802</b>	<b>144,219</b>	<b>212,756</b>	<b>293,232</b>	<b>322,295</b>	<b>408,140</b>	<b>456,629</b>	<b>383,779</b>	<b>413,262</b>

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)

	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
General Government	19,252	33,700	17,272	18,095	36,571	31,722	45,085	47,262	78,070	79,740	62,723	82,249
Defence	4,332	4,036	6,124	5,180	11,399	7,628	7,487	9,803	8,533	12,491	14,011	17,617
Public Order and Safety	5,091	3,646	3,963	3,740	3,646	8,994	9,072	14,196	14,307	24,915	22,418	23,432
Education Services	5,663	7,321	5,828	11,865	10,448	51,856	44,951	45,444	56,576	47,633	36,024	46,098
Health Affairs & Services	5,089	4,578	5,355	13,943	7,944	15,771	26,084	19,396	22,469	34,995	44,181	37,472
Community & Social Services	3,629	767	2,164	2,486	14,689	5,519	18,748	4,455	9,037	20,855	23,518	14,150
Economic Services	7,546	19,038	31,434	61,993	59,523	17,803	19,901	14,027	20,288	44,758	27,119	25,057
Entandikwa Credit Scheme	...	4,491	2,932	2,500	...	...	...	...	...	...	...	...
Agriculture	...	...	...	...	...	6,763	17,445	28,437	38,266	42,525	24,465	18,509
Roads	...	...	...	...	...	52,880	87,510	122,192	133,370	120,354	104,552	122,755
Water	...	...	...	...	...	13,820	16,949	17,084	27,224	28,363	24,769	25,925
<b>Total</b>	<b>50,602</b>	<b>77,576</b>	<b>75,074</b>	<b>119,802</b>	<b>144,219</b>	<b>212,756</b>	<b>293,232</b>	<b>322,295</b>	<b>408,140</b>	<b>456,629</b>	<b>383,779</b>	<b>413,262</b>

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)

	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04	2004/05
<b>Revenue and Grants</b>	<b>1,199,200</b>	<b>1,357,700</b>	<b>1,576,900</b>	<b>1,867,890</b>	<b>2,010,600</b>	<b>2,253,800</b>	<b>2,936,100</b>	<b>2,858,300</b>
Total revenue 1/	801,500	950,700	1,010,300	1,083,490	1,253,600	1,434,000	1,669,200	1,866,900
Grants	397,700	407,000	566,600	784,400	757,000	819,800	1,266,900	991,400
<b>Expenditures and net lending</b>	<b>1,246,180</b>	<b>1,454,100</b>	<b>1,847,430</b>	<b>2,101,300</b>	<b>2,567,900</b>	<b>2,770,000</b>	<b>3,136,100</b>	<b>3,454,400</b>
<b>Recurrent Expenditure</b>	<b>740,680</b>	<b>891,180</b>	<b>977,270</b>	<b>1,120,290</b>	<b>1,426,700</b>	<b>1,586,400</b>	<b>1,891,400</b>	<b>1,932,800</b>
Wages and salaries	255,800	341,200	373,890	434,090	548,600	612,300	682,900	765,800
Interest payments	87,400	96,200	95,420	111,800	152,200	174,100	261,700	258,900
Other 2/	397,480	453,780	507,960	574,400	725,900	800,000	946,800	908,100
<b>Development Expenditure</b>	<b>502,500</b>	<b>560,600</b>	<b>771,520</b>	<b>877,000</b>	<b>1,028,800</b>	<b>1,142,000</b>	<b>1,188,800</b>	<b>1,449,000</b>
External	412,800	445,900	551,400	339,800	593,200	682,100	747,700	513,000
Domestic	89,700	114,700	220,120	537,200	435,600	459,900	441,100	936,000
Net lending and investment	3,000	2,320	98,640	-26,130	2,200	-12,700	9,200	17,600
Domestic Arrears Payments	0	0	0	130,140	110,200	54,300	46,700	55,000
<b>Overall deficit (excluding Grants)</b>	<b>-444,680</b>	<b>-503,400</b>	<b>-837,130</b>	<b>-1,017,810</b>	<b>-1,314,300</b>	<b>-1,336,000</b>	<b>-1,466,900</b>	<b>-1,587,500</b>
<b>Overall deficit (commitment)</b>	<b>-596,100</b>	<b>-596,100</b>	<b>-596,100</b>	<b>-596,100</b>	<b>-596,100</b>	<b>-596,100</b>	<b>-596,100</b>	<b>-596,100</b>
<b>Financing</b>	<b>46,980</b>	<b>96,400</b>	<b>270,530</b>	<b>268,610</b>	<b>469,200</b>	<b>536,300</b>	<b>231,900</b>	<b>596,100</b>
External Financing (net)	196,000	263,240	212,610	301,000	478,500	535,000	299,000	479,200
Budget support	...	...	...	147,000	341,700	378,200	57,000	190,100
Project support	...	...	...	209,500	242,100	261,000	371,500	442,400
Other	...	...	...	147,000	341,700	378,200	57,000	190,100
Domestic Financing	-149,020	-166,840	57,920	-32,390	-9,300	1,300	-67,100	116,900
Banking System 5/	...	...	...	-55,500	21,400	-93,300	-174,100	80,000
Non-bank	-149,020	-166,840	57,920	23,110	-30,700	94,600	107,000	36,900
Residual	0	0	0	0	88,100	-20,000	-31,800	...
<b>GDP at current market prices</b>	<b>7,576,307</b>	<b>8,202,739</b>	<b>8,955,207</b>	<b>9,977,649</b>	<b>10,252,212</b>	<b>11,780,351</b>	<b>13,200,335</b>	<b>15,134,299</b>
<b>Memorandum Items</b>								
<b>As a percentage of GDP</b>								
Revenue	10.6	11.6	11.3	10.9	12.2	12.2	12.6	12.3
Grants	5.2	5.0	6.3	7.9	7.4	7.0	9.6	6.6
Expenditure	16.4	17.7	20.6	21.1	25.0	23.5	23.8	22.8
Recurrent	9.8	10.9	10.9	11.2	13.9	13.5	14.3	12.8
Development	6.6	6.8	8.6	8.8	10.0	9.7	9.0	9.6
Deficit (Commitment)	-0.6	-1.2	-3.0	-2.3	-5.4	-4.4	-1.5	-3.9
Deficit (excluding Grants)	-5.9	-6.1	-9.3	-10.2	-12.8	-11.3	-11.1	-10.5

### 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-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	Sep-04	Dec-04	Mar-05	Jun-05
<b>A: Bank of Uganda</b>																		
Ways & Means Advances 1/	-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	-324,141	-321,512	-481,613	-402,834	-674,327
Treasury Bills 2/	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	215,166	214,454	211,251	220,615
Sub - Total	-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	-108,331	-106,346	-267,159	-191,583	-453,712
<b>B: Commercial Banks</b>																		
Treasury Bills	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	822,863	752,545	805,228	707,979
Government Stocks	4	4	4	4	4	4	4	0	0	0	0	0	0	0	0	0	0	0
Direct Loans	0	0	0	2	2	538	714	1,484,607	1,503,640	1,495,789	1,568,843	1,576,511	1,591,718	1,629,524	573,830	611,379	609,192	762,670
Less Government Deposits 3/	194,760	222,130	205,162	214,077	228,084	251,926	225,108	2,522	1,478	4,697	4,718	2,304	23	23	876,825	879,792	958,962	976,243
Sub - Total	204,953	243,993	284,415	346,674	378,220	469,793	585,705	2,371,612	2,352,212	2,371,896	2,495,342	2,543,193	2,488,427	2,448,538	519,868	484,133	455,458	494,407
<b>Total Net Claims on Govt. (A+B)</b>	-167,462	443,111	483,871	203,008	340,556	617,870	700,048	2,498,028	2,554,705	2,331,385	2,533,724	2,459,428	2,454,217	2,340,207	413,522	216,974	263,875	40,695
<b>C: Non - Banking System</b>																		
Treasury Bills	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	210,829	208,021	218,641	211,926
Government Stocks	2	2	2	2	2	2	2	0	0	0	0	0	0	0	0	0	0	0
Sub - Total	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	210,829	208,021	218,641	211,926
<b>Grand Total (A+B+C)</b>	<b>-111,347</b>	<b>502,423</b>	<b>548,792</b>	<b>279,789</b>	<b>411,944</b>	<b>689,141</b>	<b>805,135</b>	<b>2,621,011</b>	<b>2,683,271</b>	<b>2,498,872</b>	<b>2,714,926</b>	<b>2,696,557</b>	<b>2,703,412</b>	<b>2,553,324</b>	<b>624,351</b>	<b>424,995</b>	<b>482,515</b>	<b>252,621</b>

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-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	Sep-04	Dec-04	Mar-05	Jun-05
<b>Government Stocks</b>	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7
Commercial Banks	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
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/	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	2.0
<b>Treasury Bills</b>	<b>527,694.6</b>	<b>589,443.2</b>	<b>623,294.6</b>	<b>697,627.2</b>	<b>729,243.4</b>	<b>928,500.9</b>	<b>1,051,468.0</b>	<b>1,200,697.6</b>	<b>1,138,489.3</b>	<b>1,202,597.0</b>	<b>1,231,734.4</b>	<b>1,340,014.0</b>	<b>1,278,591.3</b>	<b>1,247,964.0</b>	<b>1,248,867.4</b>	<b>1,176,020.2</b>	<b>1,235,119.7</b>	<b>1,140,520.5</b>
Bank of Uganda	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	215,165.5	214,454.3	211,251.1	220,615.3
Commercial Banks	399,709.5	466,119.7	489,573.7	560,745.4	606,298.4	721,177.7	810,095.8	899,526.6	860,049.9	880,804.7	931,217.5	968,986.1	896,731.7	819,036.8	822,862.9	752,545.4	805,228.0	707,979.3
Insurance Companies 1/	10,485.4	10,036.4	2,676.0	3,960.5	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	39,666.1	41,268.3	39,337.6	32,051.0
Others 2/	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	171,172.9	167,752.2	179,303.0	179,874.9
<b>Total</b>	<b>527,700.3</b>	<b>589,448.9</b>	<b>623,300.3</b>	<b>697,632.9</b>	<b>729,249.1</b>	<b>928,506.6</b>	<b>1,051,473.7</b>	<b>1,200,703.3</b>	<b>1,138,495.0</b>	<b>1,202,602.7</b>	<b>1,231,740.1</b>	<b>1,340,019.7</b>	<b>1,278,597.0</b>	<b>1,247,969.7</b>	<b>1,248,863.1</b>	<b>1,176,025.9</b>	<b>1,235,125.4</b>	<b>1,140,526.2</b>
<b>Banks</b>	<b>471,585.3</b>	<b>530,137.0</b>	<b>558,379.4</b>	<b>620,852.0</b>	<b>657,861.2</b>	<b>857,236.0</b>	<b>946,366.8</b>	<b>1,077,718.2</b>	<b>1,009,926.3</b>	<b>1,036,112.9</b>	<b>1,050,535.6</b>	<b>1,102,888.5</b>	<b>1,029,399.9</b>	<b>1,034,850.6</b>	<b>1,038,031.9</b>	<b>967,003.2</b>	<b>1,016,482.6</b>	<b>928,598.1</b>
<b>Non-Banks</b>	<b>56,115.0</b>	<b>59,311.9</b>	<b>64,920.9</b>	<b>76,780.9</b>	<b>71,387.9</b>	<b>71,270.6</b>	<b>105,066.9</b>	<b>122,985.1</b>	<b>128,568.7</b>	<b>167,489.8</b>	<b>181,204.5</b>	<b>237,131.2</b>	<b>249,197.1</b>	<b>213,119.1</b>	<b>210,831.2</b>	<b>209,022.7</b>	<b>218,642.8</b>	<b>211,928.1</b>

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	Sep-04	Dec-04	Mar-05	Jun-05
<b>Net Foreign Assets</b>	<b>-157.8</b>	<b>-270.7</b>	<b>-205.3</b>	<b>-76.2</b>	<b>64.7</b>	<b>178.9</b>	<b>377.0</b>	<b>639.2</b>	<b>782.2</b>	<b>906.3</b>	<b>1,211.0</b>	<b>1,552.6</b>	<b>1,562.3</b>	<b>1,594.2</b>	<b>1,614.6</b>	<b>2,101.3</b>	<b>2,080.7</b>	<b>2,255.3</b>	<b>2,256.9</b>	<b>2,368.4</b>	<b>2,358.8</b>	<b>2,559.0</b>	<b>2,547.7</b>	<b>2,648.0</b>
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	1,696.0	1,960.6	1,977.2	2,050.8
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	2,044.5	2,273.1	2,285.3	2,306.8
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	662.8	598.4	570.6	597.2
<b>Domestic Credit</b>	<b>119.6</b>	<b>200.8</b>	<b>226.3</b>	<b>214.7</b>	<b>164.9</b>	<b>273.7</b>	<b>293.2</b>	<b>307.8</b>	<b>467.7</b>	<b>1,012.4</b>	<b>1,106.8</b>	<b>1,136.1</b>	<b>1,213.3</b>	<b>1,366.6</b>	<b>1,551.5</b>	<b>1,246.2</b>	<b>1,425.9</b>	<b>1,285.5</b>	<b>1,358.3</b>	<b>1,107.4</b>	<b>1,136.9</b>	<b>1,103.5</b>	<b>1,265.8</b>	<b>982.0</b>
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	106.5	-12.8	110.4	-176.3
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	11.2	10.6	8.6	8.1
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	0.3	0.6	0.0	0.0
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	882.2	955.9	991.3	1,010.0	1,019.0	1,105.2	1,146.7	1,222.5
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	679.5	745.0	765.8	795.1	802.9	840.9	870.5	849.7
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	216.1	264.3	276.2	300.5
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	-1,138.7	-1,133.9	-1,108.0	-888.5	-913.1	-1,015.8	-1,010.7	-818.9
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	-493.9	-499.3	-462.5	-525.8
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	-873.1	-862.4	-849.2	-330.8	-465.8	-532.3	-582.2	-396.6
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	83.6	40.7	46.7	15.8	34.0	47.7
<b>NDA (NET OF REVALUATION)</b>	<b>103.9</b>	<b>149.1</b>	<b>173.5</b>	<b>192.6</b>	<b>152.5</b>	<b>176.7</b>	<b>127.8</b>	<b>134.2</b>	<b>184.9</b>	<b>489.1</b>	<b>471.8</b>	<b>536.0</b>	<b>573.9</b>	<b>697.7</b>	<b>883.7</b>	<b>858.8</b>	<b>620.4</b>	<b>495.7</b>	<b>592.7</b>	<b>817.3</b>	<b>717.7</b>	<b>587.0</b>	<b>717.6</b>	<b>689.2</b>
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	2,582.7	2,646.7	2,802.9	2,811.1
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	654.0	646.1	633.4	653.3
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	1,928.7	2,000.5	2,169.5	2,157.9
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	2.0	2.0	2.0	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	1,926.7	1,998.5	2,167.5	2,155.9
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	542.4	588.6	591.2	605.1
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	765.1	739.4	940.6	860.1
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	619.2	670.5	635.7	690.7
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	1,412.8	1,395.6	1,578.3	1,552.8
<b>Memorandum Items</b>																								
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	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	3.2	2.3	8.3	8.7
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	-0.2	3.9	12.1	12.1
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	0.2	3.9	12.7	12.1

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	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05
<b>Net Foreign Assets</b>	<b>-172.0</b>	<b>-312.7</b>	<b>-277.4</b>	<b>-148.5</b>	<b>-38.5</b>	<b>72.2</b>	<b>231.7</b>	<b>452.0</b>	<b>585.0</b>	<b>614.8</b>	<b>792.3</b>	<b>1,090.6</b>	<b>1,500.5</b>	<b>1,512.0</b>	<b>1,679.8</b>	<b>1,629.4</b>	<b>1,680.5</b>	<b>1,696.0</b>	<b>1,960.6</b>	<b>1,977.2</b>	<b>2,050.8</b>
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	1,990.4	2,002.8	2,141.5	2,075.9	2,049.1	2,059.5	2,297.7	2,306.0	2,324.4
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	1,931.1	1,947.1	2,081.4	2,037.6	2,029.4	2,044.5	2,273.1	2,285.3	2,306.8
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	489.9	490.8	461.7	446.5	368.7	363.5	337.1	328.8	273.5
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	485.0	485.8	456.7	442.3	364.7	359.0	333.0	325.5	270.4
<b>Net Domestic Assets</b>	<b>233.9</b>	<b>432.0</b>	<b>419.7</b>	<b>352.5</b>	<b>316.7</b>	<b>209.1</b>	<b>93.9</b>	<b>-81.3</b>	<b>-195.3</b>	<b>-136.2</b>	<b>-270.5</b>	<b>-501.4</b>	<b>-906.0</b>	<b>-835.1</b>	<b>-981.0</b>	<b>-858.7</b>	<b>-899.2</b>	<b>-890.5</b>	<b>-1,120.0</b>	<b>-1,143.5</b>	<b>-1,209.2</b>
<b>Net Domestic Credit</b>	<b>40.8</b>	<b>100.7</b>	<b>82.3</b>	<b>34.0</b>	<b>-24.3</b>	<b>-31.5</b>	<b>-118.7</b>	<b>-221.6</b>	<b>-197.0</b>	<b>249.2</b>	<b>207.2</b>	<b>16.6</b>	<b>-190.8</b>	<b>-76.8</b>	<b>-213.4</b>	<b>-162.3</b>	<b>-463.8</b>	<b>-438.9</b>	<b>-596.6</b>	<b>-625.0</b>	<b>-812.0</b>
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	-194.8	-76.8	-213.4	-162.3	-489.6	-464.3	-622.0	-649.6	-833.4
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	1,543.4	-80.9	-217.7	-166.9	1,220.6	1,279.6	1,436.2	1,325.2	1,070.9
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	127.2	100.0	106.4	106.6	200.0	200.0	200.0	150.0	200.5
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	1,865.4	1,321.1	1,660.8	1,648.2	1,769.6	1,810.4	2,122.5	1,981.9	1,945.7
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	4.0	4.2	4.2	4.5	1.9	1.6	1.5	1.4	1.3
Claims on Private Sector (net)	26.5	26.1	...	...	...	...	...	...	...	...	...	...	...	0.0	0.0	0.0	23.9	23.8	23.9	23.2	20.1
Claims on Commercial Banks	5.5	2.0	3.0	3.3	1.9	-0.8	6.1	7.9	57.6	44.9	0.0	72.5	100.5	112.8	106.4	121.4	85.8	89.6	84.0	84.0	86.7
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	1.5	1.7	1.7	4.7	0.0	0.0	0.0	0.0	0.0
<b>Other Items, Net</b>	<b>193.1</b>	<b>331.3</b>	<b>337.4</b>	<b>318.5</b>	<b>341.0</b>	<b>240.6</b>	<b>212.6</b>	<b>140.3</b>	<b>1.6</b>	<b>-385.4</b>	<b>503.9</b>	<b>-518.1</b>	<b>-715.2</b>	<b>-758.3</b>	<b>-767.6</b>	<b>-696.4</b>	<b>-435.5</b>	<b>-451.6</b>	<b>-523.4</b>	<b>-518.6</b>	<b>-397.3</b>
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	124.7	135.6	139.3	162.9	171.5	131.6	149.0	121.5	139.8
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	840.2	892.2	905.1	854.6	606.9	583.3	672.4	640.1	537.1
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	338.8	345.7	365.0	358.7	444.0	481.5	492.4	458.1	519.1
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	0.3	-5.1	-15.4	-11.4	-3.7	7.0	0.6	-1.1	0.5
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	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	696.1	789.7	805.3	892.0	867.1	895.1	924.6	917.6	928.3
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	630.6	729.7	767.1	821.3	809.9	839.7	908.6	917.6	928.3
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	520.3	539.7	623.8	592.9	605.3	621.0	696.5	697.2	698.6
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	162.7	243.3	197.2	286.8	264.9	279.9	276.7	285.6	295.6
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	110.4	190.1	143.3	228.4	204.6	218.7	212.1	220.4	229.7
Commercial Banks Investment in BoU Instruments	...	...	...	...	...	...	...	5.5	14.9	32.2	10.0	31.6	65.5	60.0	38.2	70.7	57.2	55.4	16.0	0.0	0.0
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	0.0
<b>Memorandum Items</b>																					
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	0.1	15.7	21.6	30.2	28.4	3.7	12.2	13.3	14.6
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	0.0

Source: 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	Jun-03	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05
<b>Net Foreign Assets</b>	<b>14.22</b>	<b>42.06</b>	<b>72.11</b>	<b>72.35</b>	<b>103.19</b>	<b>106.72</b>	<b>145.29</b>	<b>187.16</b>	<b>197.22</b>	<b>291.49</b>	<b>418.65</b>	<b>462.06</b>	<b>600.79</b>	<b>690.07</b>	<b>662.79</b>	<b>598.41</b>	<b>570.57</b>	<b>597.17</b>
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	702.20	789.76	747.95	714.91	655.52	719.34
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	101.40	99.69	85.16	116.50	84.94	122.17
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	35.32	37.09	34.19	41.10	29.75	51.98
o/w Shillings deposits of non-residents	...	...	...	...	...	...	...	...	0.74	2.72	2.23	5.25	6.15	16.86	12.97	23.04	18.14	15.59
<b>Net Domestic Assets</b>	<b>83.18</b>	<b>108.33</b>	<b>153.07</b>	<b>193.08</b>	<b>206.68</b>	<b>324.05</b>	<b>436.95</b>	<b>559.69</b>	<b>697.23</b>	<b>792.01</b>	<b>936.15</b>	<b>1,175.39</b>	<b>1,495.84</b>	<b>1,631.92</b>	<b>1,654.38</b>	<b>1,808.51</b>	<b>1,996.81</b>	<b>1,887.54</b>
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	585.23	557.82	570.79	609.70	760.02	657.10
Advances	...	0.00	1.53	0.01	0.28	0.83	1.06	2.41	0.42	0.02	0.00	0.54	4.70	0.00	0.00	0.00	0.00	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	754.45	876.82	879.79	938.52	1,037.69	972.51
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	173.92	319.00	309.00	328.83	277.67	315.41
Claims on Parastatals	...	...	...	...	...	...	...	...	20.20	12.39	6.02	2.86	2.55	11.69	9.51	9.05	7.20	6.77
Claims on Local Government	...	...	...	...	...	...	...	...	1.09	1.02	0.98	0.79	0.59	0.36	0.25	0.58	0.04	0.03
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	848.60	986.03	995.23	1,081.29	1,123.51	1,130.12
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	658.80	771.16	779.14	817.01	847.26	829.57
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	189.80	214.88	216.09	264.28	276.24	300.55
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	58.88	76.00	78.59	107.90	106.04	93.52
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	227.20	216.48	231.26	159.84	170.40	190.72
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	182.00	269.65	290.60	267.66	279.51	294.05
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	40.12	40.12	60.12	40.12	35.76
Investment in Bank of Uganda Instruments (REPO)	...	...	...	...	...	...	...	5.47	14.89	32.23	10.00	31.60	38.70	57.15	55.40	16.00	0.00	0.00
BOU PN's to Standard, UCB & CERUDEB	...	...	...	...	...	...	...	...	...	43.27	...	...	...	...	...	...	...	...
<b>Other Items, Net</b>	<b>-11.20</b>	<b>-21.13</b>	<b>-24.28</b>	<b>-6.30</b>	<b>1.21</b>	<b>-8.22</b>	<b>-82.23</b>	<b>-77.56</b>	<b>-124.01</b>	<b>-206.30</b>	<b>-269.40</b>	<b>-303.87</b>	<b>-411.78</b>	<b>-480.49</b>	<b>-508.14</b>	<b>-508.69</b>	<b>-526.08</b>	<b>-469.38</b>
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	314.00	247.89	279.19	293.65	308.45	341.31
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	725.78	729.39	787.33	802.35	834.53	810.69
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	-39.09	-6.70	22.03	22.61	32.37	48.55
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	-5.28	3.45	5.44	6.27	5.45	6.22
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	1.00	0.00	0.00	0.00	0.00
<b>Net Domestic Assets, NDA (net of revaluation)</b>	<b>83.18</b>	<b>98.81</b>	<b>146.28</b>	<b>191.48</b>	<b>204.22</b>	<b>321.62</b>	<b>435.77</b>	<b>562.08</b>	<b>684.87</b>	<b>782.55</b>	<b>931.88</b>	<b>1,158.04</b>	<b>1,501.12</b>	<b>1,628.47</b>	<b>1,648.94</b>	<b>1,802.25</b>	<b>1,991.36</b>	<b>1,881.32</b>
<b>Deposit Liabilities to the Non-Bank Public</b>	<b>82.52</b>	<b>152.54</b>	<b>238.10</b>	<b>313.42</b>	<b>402.04</b>	<b>473.80</b>	<b>588.26</b>	<b>780.46</b>	<b>875.89</b>	<b>1,040.51</b>	<b>1,233.52</b>	<b>1,518.18</b>	<b>1,912.06</b>	<b>2,057.97</b>	<b>2,040.29</b>	<b>2,058.07</b>	<b>2,211.70</b>	<b>2,206.05</b>
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	624.25	662.38	653.97	646.15	633.40	653.25
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	1,287.81	1,395.59	1,386.32	1,411.92	1,578.29	1,552.80
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	725.14	803.98	765.14	739.41	940.61	860.15
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	558.67	589.59	619.15	670.49	635.71	690.68
Certificates of Deposits	...	...	...	...	...	...	...	...	11.08	10.82	7.87	5.82	4.00	2.02	2.02	2.02	1.98	1.98
<b>Memorandum Item</b>																		
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	0.08	1.02	0.26	0.22	0.22	0.29
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	0.46	0.47	0.49	0.49	0.48	0.47
Lending ratio: forex (PSC/forex deposits)	...	...	...	...	...	...	...	...	...	...	0.25	0.30	0.27	0.27	0.27	0.32	0.36	0.36

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	Jun-03	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05
<b>Monetary Authority</b>																		
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	993.81	1,145.56	1,174.76	1,321.57	1,323.42	1,335.64
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	964.18	1,134.52	1,166.20	1,307.43	1,311.52	1,325.55
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	244.61	206.10	207.34	193.88	188.71	157.17
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	242.15	203.91	204.76	191.52	186.81	155.41
<b>Commercial Banks</b>																		
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	350.61	441.51	426.63	411.20	376.20	413.36
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	50.63	55.73	48.58	67.01	48.75	70.20
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	17.64	20.74	19.50	23.64	17.07	29.87
o/w Non-resident sh deposits	...	...	...	...	...	...	...	...	4.61	3.64	1.29	2.92	3.07	9.42	7.40	13.25	10.41	8.96
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	329.22	420.36	438.45	445.80	421.54	447.60
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	311.69	370.30	373.03	371.65	363.51	375.38
Project Accounts	...	5.02	9.69	12.05	19.34	12.59	9.00	10.28	16.23	15.41	36.31	28.31	17.53	50.06	65.42	74.15	58.03	72.22
Domestic (Forex) Assets - lending to private sector	...	...	...	...	...	...	...	...	42.36	55.49	68.25	86.15	94.77	120.13	123.26	152.01	158.54	172.71
<b>Memo Items</b>																		
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	346.86	441.10	457.95	469.44	438.61	477.47
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	-29.25	-34.58	-60.39	-101.60	-94.08	-104.45
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	172.86	139.07	139.39	123.32	123.65	106.69
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	0.00	-14.31	-5.93	26.47	-22.22	-0.63
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	2,002.81	1,788.76	1,753.15	1,738.59	1,742.46	1,740.25
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	2,805.66	2,622.72	2,575.36	2,700.05	2,632.55	2,534.87

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	Jun-03	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05
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	0.26	0.26	0.25	0.24	0.23	0.23
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	0.19	0.20	0.21	0.22	0.21	0.22
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	0.31	0.31	0.30	0.28	0.34	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	0.24	0.23	0.24	0.25	0.23	0.25
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	3.76	3.19	3.08	2.91	3.05	3.03
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	2.77	2.37	2.29	2.20	2.36	2.32
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	2.77	2.38	2.30	2.20	2.36	2.32
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	0.26	0.28	0.28	0.29	0.27	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	0.26	0.27	0.28	0.29	0.27	0.28
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	0.42	0.40	0.37	0.43	0.40
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	0.42	0.40	0.37	0.43	0.40
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	0.32	0.31	0.32	0.34	0.29	0.32
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	0.31	0.32	0.34	0.29	0.32
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	0.74	0.74	0.75	0.76	0.77	0.77
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	0.74	0.74	0.75	0.76	0.77	0.77
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	43.69	42.39	44.73	47.56	40.33	44.54
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	56.31	57.61	55.27	52.44	59.67	55.46
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	0.26	0.26	0.25	0.24	0.23	0.23
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	1.23	1.28	1.26	1.16	1.23	1.22
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	0.91	0.95	0.94	0.88	0.95	0.94
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	-91.62	-306.92	38.24	-80.56	42.20	-244.54
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	31.33	7.54	9.36	-1.12	8.72	-17.95
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	68.10	91.20	89.63	100.11	90.59	117.13
Share of credit to other public institutions (%)	...	...	...	0.00	...	...	...	...	...	...	...	57.47	0.58	1.26	1.00	1.01	0.69	0.83
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	23.27	9.01	9.07	9.96	11.79	8.65
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	17.54	10.18	8.17	10.06	15.28	12.12
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	17.35	10.04	8.04	9.94	15.15	12.10
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	0.09	28.43	15.07	18.45	11.72	14.62
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	28.25	16.20	12.81	13.12	13.34	14.61
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	28.25	19.02	15.51	15.62	15.68	13.89

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	Jun-01	Jun-02	Jun-03	Sep-03	Dec-03	Mar-04	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05
<b>Agriculture</b>	<b>25,924</b>	<b>25,311</b>	<b>36,363</b>	<b>46,892</b>	<b>53,940</b>	<b>54,886</b>	<b>66,971</b>	<b>68,409</b>	<b>79,723</b>	<b>60,897</b>	<b>54,657</b>	<b>71,446</b>	<b>82,610</b>	<b>82,681</b>	<b>90,020</b>	<b>114,794</b>	<b>110,610</b>	<b>101,360</b>	<b>115,580</b>	<b>138,479</b>	<b>114,051</b>
Production	9,776	2,543	541	6,000	3,849	3,782	4,378	9,878	12,592	10,969	16,315	20,156	27,043	25,218	25,721	37,991	42,396	35,569	44,529	49,072	69,340
Crop Finance	16,148	22,768	35,821	40,891	50,091	51,103	62,594	58,531	67,131	49,927	38,343	51,289	55,567	57,462	64,300	76,803	68,215	65,790	71,051	89,407	44,711
<b>Manufacturing</b>	<b>8,987</b>	<b>17,786</b>	<b>24,565</b>	<b>40,184</b>	<b>53,952</b>	<b>66,741</b>	<b>80,759</b>	<b>102,439</b>	<b>171,128</b>	<b>184,593</b>	<b>223,363</b>	<b>170,260</b>	<b>201,843</b>	<b>208,576</b>	<b>224,287</b>	<b>218,857</b>	<b>206,293</b>	<b>210,402</b>	<b>220,823</b>	<b>199,843</b>	<b>228,570</b>
Foods, Beverages, Tobacco	2,346	2,371	4,813	11,244	22,568	37,135	52,480	66,780	109,382	117,186	137,922	106,618	113,936	112,474	119,077	111,850	111,215	116,269	128,384	115,590	128,339
Leather/Textiles	822	1,394	1,728	2,024	2,533	1,696	2,453	2,488	6,052	3,367	19,154	1,869	4,649	7,722	7,652	11,671	11,371	8,928	10,276	12,093	14,337
Furniture and household	927	960	2,269	1,725	2,178	3,090	3,700	5,697	8,383	2,540	5,944	4,776	680	2,147	2,130	4,843	2,743	3,495	4,491	4,807	5,363
Chemical, pharmacy and rubber products	714	227	537	744	1,729	2,472	3,435	4,378	16,413	29,634	29,294	13,664	22,310	25,570	33,190	28,912	26,015	29,640	17,183	14,221	17,229
Metal products and machinery	1,441	942	3,068	3,319	3,990	1,795	5,057	7,039	3,691	5,766	4,627	5,899	2,282	4,605	4,564	11,537	11,206	9,834	10,637	8,863	11,219
Building and construction material	993	1,421	3,292	5,353	6,403	5,940	3,508	6,601	11,209	13,559	13,188	18,357	30,242	24,995	25,151	19,274	18,191	17,579	18,234	15,478	17,876
Others	1,743	10,470	8,860	15,777	14,552	14,612	10,125	9,458	15,997	12,541	13,234	19,077	27,743	31,063	32,523	30,770	25,552	24,656	31,618	28,790	34,207
<b>Trade &amp; Other Services</b>	<b>30,229</b>	<b>34,999</b>	<b>45,620</b>	<b>85,387</b>	<b>107,318</b>	<b>128,172</b>	<b>170,605</b>	<b>225,436</b>	<b>255,126</b>	<b>279,049</b>	<b>297,435</b>	<b>369,085</b>	<b>485,873</b>	<b>496,891</b>	<b>550,531</b>	<b>564,867</b>	<b>567,999</b>	<b>585,775</b>	<b>646,808</b>	<b>679,361</b>	<b>688,531</b>
Wholesale (imports + exports)	0	0	0	25,964	44,511	61,638	76,806	96,899	97,466	112,785	109,366	145,185	170,019	172,064	191,010	165,371	132,553	118,565	127,783	125,164	103,990
o/w Imports	0	0	0	23,396	42,472	57,827	73,197	88,912	95,744	109,776	103,425	99,287	118,222	120,273	137,900	107,885	120,459	111,605	120,358	112,453	99,115
Exports (Non Agric; pdcts)	0	0	0	2,568	2,039	3,811	3,609	7,987	1,721	3,009	5,941	45,898	51,798	51,791	53,110	57,486	12,094	6,959	7,425	12,710	4,875
Retail	5,516	1,490	20,022	25,697	34,767	24,769	32,110	31,568	41,932	37,867	29,485	34,574	41,186	38,166	38,357	45,683	43,925	46,347	50,425	59,520	55,374
Others	12,625	33,508	25,598	33,726	28,041	41,766	61,689	96,970	115,728	128,397	158,584	189,326	274,667	286,662	321,164	353,814	391,521	420,862	468,600	494,677	529,168
<b>Transport, Electricity &amp; Water</b>	<b>6,137</b>	<b>6,676</b>	<b>7,803</b>	<b>9,102</b>	<b>8,268</b>	<b>8,270</b>	<b>9,587</b>	<b>12,857</b>	<b>29,485</b>	<b>37,059</b>	<b>35,121</b>	<b>29,941</b>	<b>54,008</b>	<b>66,168</b>	<b>63,231</b>	<b>70,677</b>	<b>80,765</b>	<b>67,225</b>	<b>64,347</b>	<b>73,587</b>	<b>67,830</b>
Transport	5,882	6,665	7,791	8,906	8,124	7,764	9,002	12,218	29,073	36,916	35,105	29,936	53,535	57,195	63,190	70,465	80,615	66,205	62,419	71,443	65,734
Electricity & Water	255	11	12	196	143	507	586	639	412	143	16	5	473	8,973	41	213	151	1,020	1,928	2,144	2,096
<b>Building and Construction</b>	<b>5,650</b>	<b>10,135</b>	<b>11,547</b>	<b>12,695</b>	<b>15,489</b>	<b>15,615</b>	<b>16,741</b>	<b>18,328</b>	<b>29,461</b>	<b>28,441</b>	<b>26,291</b>	<b>24,087</b>	<b>25,881</b>	<b>29,611</b>	<b>31,326</b>	<b>31,781</b>	<b>32,931</b>	<b>40,936</b>	<b>43,776</b>	<b>40,204</b>	<b>38,702</b>
<b>Mining and Quarrying</b>	<b>97</b>	<b>97</b>	<b>650</b>	<b>309</b>	<b>343</b>	<b>276</b>	<b>231</b>	<b>288</b>	<b>1,530</b>	<b>2,144</b>	<b>2,503</b>	<b>3,687</b>	<b>1,932</b>	<b>3,124</b>	<b>1,541</b>	<b>1,280</b>	<b>916</b>	<b>780</b>	<b>713</b>	<b>683</b>	<b>662</b>
<b>Total</b>	<b>77,025</b>	<b>95,003</b>	<b>126,549</b>	<b>194,569</b>	<b>239,310</b>	<b>273,960</b>	<b>344,894</b>	<b>427,757</b>	<b>566,452</b>	<b>570,071</b>	<b>639,370</b>	<b>668,505</b>	<b>852,146</b>	<b>887,051</b>	<b>960,935</b>	<b>1,002,257</b>	<b>999,516</b>	<b>1,006,477</b>	<b>1,092,046</b>	<b>1,132,157</b>	<b>1,138,348</b>

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	Jun-01	Jun-02	Jun-03	Jun-04	Sep-04	Dec-04	Mar-05	Jun-05
<b>Liabilities</b>																		
Total Deposits	92.26	154.50	265.37	347.27	471.31	543.30	664.75	858.64	971.86	1,201.38	1,255.42	1,725.75	2,115.41	2,307.10	2,246.94	2,290.07	2,424.15	2,413.51
Private Demand Deposits	59.85	91.76	122.02	157.22	206.28	220.70	263.92	324.90	360.09	413.05	392.90	617.49	725.14	803.98	765.14	739.41	940.61	860.15
Private Time & Savings Deposits	22.48	46.30	79.95	110.03	128.64	178.00	220.81	308.60	296.88	316.61	344.29	460.06	558.67	589.59	619.15	670.49	635.71	690.68
Foreign Exchange deposits	0.00	0.00	36.13	46.16	67.11	75.00	103.53	146.90	207.82	310.84	374.37	434.81	624.19	662.38	653.97	646.15	633.40	653.25
Government Deposits	6.15	13.69	20.40	30.16	66.05	61.10	57.68	54.85	89.11	126.71	132.36	201.05	196.44	229.46	194.31	199.92	176.56	189.72
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	11.51	12.34	10.97	21.69	14.36	34.10	37.87	19.71
Foreign Liabilities	5.42	20.36	27.29	36.44	19.28	28.00	20.44	66.90	74.76	73.19	70.91	89.04	101.40	99.69	85.16	116.50	84.94	122.17
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	20.89	20.29	20.30	40.12	40.12	60.12	40.12	35.76
Items in Transit	10.35	0.78	0.00	2.12	11.86	8.11	-0.44	36.23	51.35	79.22	54.06	40.12	25.78	5.98	0.69	1.20	3.15	4.29
Capital and Reserves	35.07	42.44	19.49	-23.92	-57.51	-36.35	67.09	91.91	49.76	87.28	91.24	230.08	238.51	229.87	229.09	236.98	315.31	199.56
Other Liabilities	56.39	127.40	133.40	218.72	253.54	255.10	209.07	198.50	282.21	335.88	420.90	490.76	586.25	725.68	767.28	802.32	726.68	900.34
<b>Total Liabilities</b>	<b>204.54</b>	<b>351.81</b>	<b>454.00</b>	<b>586.76</b>	<b>706.37</b>	<b>805.87</b>	<b>965.86</b>	<b>1,262.68</b>	<b>1,456.59</b>	<b>1,801.51</b>	<b>1,913.43</b>	<b>2,596.04</b>	<b>3,030.01</b>	<b>3,396.09</b>	<b>3,369.28</b>	<b>3,507.19</b>	<b>3,594.36</b>	<b>3,675.64</b>
<b>Assets</b>																		
Cash held	4.38	8.31	9.05	12.44	17.47	18.90	25.07	30.30	32.53	28.83	30.77	40.72	58.88	76.00	78.59	107.90	106.04	93.52
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	117.68	188.48	181.94	269.65	165.08	129.72	210.88	294.05
Foreign Assets	19.68	54.75	101.46	108.50	122.47	134.80	165.73	254.10	271.99	364.68	434.72	551.10	702.20	789.76	747.95	714.91	655.52	719.34
Government Securities	3.28	8.25	12.31	31.71	39.58	66.30	150.61	185.70	209.34	320.27	366.87	720.76	754.46	876.82	879.79	938.52	1,037.69	972.51
Advances and Discounts	77.09	104.82	155.57	215.50	260.59	347.48	355.71	434.21	566.96	592.82	624.10	665.06	855.84	997.73	1,004.75	1,090.34	1,130.71	1,136.89
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	8.71	10.86	7.47	9.04	146.18	157.56	164.28	4.84
Other Assets	94.67	140.62	131.30	159.95	170.35	181.22	175.85	235.52	261.34	377.64	330.57	419.07	469.22	377.08	396.21	368.25	289.24	454.48
<b>Total Assets</b>	<b>205.71</b>	<b>351.81</b>	<b>454.16</b>	<b>586.76</b>	<b>706.37</b>	<b>805.87</b>	<b>965.86</b>	<b>1,262.68</b>	<b>1,456.59</b>	<b>1,801.51</b>	<b>1,913.43</b>	<b>2,596.05</b>	<b>3,030.01</b>	<b>3,396.09</b>	<b>3,418.55</b>	<b>3,507.19</b>	<b>3,594.36</b>	<b>3,675.64</b>
Advances/Deposits %	83.56	67.85	58.62	62.06	55.29	63.96	53.51	0.00	58.34	49.79	49.71	38.54	41.59	43.44	44.72	47.61	46.64	47.11
Cash Reserves/Deposits %	7.09	24.55	19.02	19.68	23.66	13.44	17.10	0.00	15.01	11.54	11.83	13.28	11.70	15.05	10.84	10.38	13.07	16.06

Source: Bank of Uganda



## Appendix 29: Structure of Interest Rates (annual percentage)

	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	Sep-04	Dec-04	Mar-05	Jun-05
<b>Bank of Uganda</b>																					
Ways and Means	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	7.67	9.64	8.33	9.08
Rediscount rate	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	13.27	15.15	14.20	14.77
Bank rate to Commercial Banks	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	19.58	19.58	19.58	19.58
<b>Treasury Bills</b>																					
91 Days	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	7.67	9.64	8.33	9.08
182 Days	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	9.02	12.79	10.78	10.70
273 Days	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	13.38	14.23	...	...
364 Days	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	13.47	13.82	12.11	13.52
<b>Commercial Banks (Weighted Average)</b>																					
<b>Local Currency</b>																					
Deposit Rates	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	1.48	1.97	1.45	1.53
Demand deposits	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	1.11	1.23	1.12	1.08
Savings deposits	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	1.76	1.76	1.94	1.77
Time Deposits	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	13.27	13.27	13.27	13.27
Lending Rates	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	18.34	18.34	18.34	18.34
<b>Foreign Currency</b>																					
Deposit Rates	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	1.01	0.98	1.04	1.03
Demand deposits	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	0.98	0.97	0.98	0.98
Savings deposits	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	1.45	1.45	1.45	1.45
Time Deposits	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	3.88	3.98	2.69	2.10
Lending Rates	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	9.25	9.07	9.17	7.59

Note: 1/ Change in March 1992 was effected on 23rd March 1992  
 2/ Change in April 1992 was effected on 24th April 1992  
 3/ Interest Rates have been fully liberalised with effect from 1st July 1994  
 4/ Beginning March 2005, Bank of Uganda discontinued the issue of the 273 day paper in order to enhance the capacity of the treasury bill to handle more larger trades.

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				
<b>Calendar Year Average</b>						
1990	...	...	...	436.33	50.23	116.93
1991	915.84	954.24	935.04	749.58	78.11	144.83
1992	1,214.79	1,259.92	1,237.35	1,145.43	114.85	153.50
1993	1,201.33	1,233.02	1,217.18	1,195.02	95.61	118.75
1994	986.67	1,020.13	1,003.40	979.45	78.29	93.24
1995	963.35	988.56	975.96	968.65	81.58	89.32
1996	1,043.31	1,065.19	1,054.25	1,045.36	81.24	84.84
1997	1,073.67	1,095.86	1,084.76	1,083.01	79.97	83.76
1998	1,230.23	1,245.62	1,237.93	1,240.22	86.44	88.75
1999	1,448.23	1,467.52	1,457.88	1,455.59	95.15	94.76
2000	1,636.29	1,656.95	1,646.62	1,644.47	100.00	100.00
2001	1,742.62	1,767.69	1,755.15	1,755.66	101.09	98.34
2002	1,790.54	1,802.66	1,796.60	1,797.00	101.99	96.88
2003	1,955.76	1,970.59	1,963.17	1,963.68	122.78	115.28
2004	1,801.42	1,821.75	1,811.59	1,810.77	117.35	117.61
<b>Fiscal Year Average</b>						
1989/90	...	...	...	332.17	76.77	78.00
1990/91	761.88	798.80	780.34	558.33	62.67	133.54
1991/92	1,107.44	1,153.37	1,130.40	983.37	99.19	153.22
1992/93	1,223.66	1,257.86	1,240.76	1,201.82	111.14	142.02
1993/94	1,112.38	1,148.46	1,130.42	1,102.71	82.77	99.67
1994/95	929.83	952.14	940.98	932.60	80.19	92.00
1995/96	1,009.29	1,034.20	1,021.74	1,011.77	80.56	85.43
1996/97	1,049.80	1,073.42	1,061.61	1,058.08	81.56	85.13
1997/98	1,139.70	1,159.19	1,149.45	1,149.65	81.10	84.01
1998/99	1,351.53	1,372.30	1,361.91	1,362.03	92.79	94.02
1999/00	1,508.39	1,523.44	1,515.92	1,512.78	95.64	95.53
2000/01	1,748.22	1,776.68	1,762.45	1,762.92	103.58	102.67
2001/02	1,747.29	1,762.16	1,754.72	1,754.56	98.80	94.18
2002/03	1,875.47	1,889.55	1,882.51	1,882.86	112.59	106.91
2003/04	1,925.83	1,943.22	1,934.52	1,934.88	123.91	119.16
2003/05	1,732.22	1,744.74	1,738.48	1,737.69	114.25	115.08
<b>Monthly Average</b>						
2001 Jan	1,820.85	1,844.87	1,832.86	1,830.44	107.96	130.22
Feb	1,716.60	1,757.16	1,736.88	1,742.97	102.53	123.32
Mar	1,718.02	1,777.21	1,747.62	1,753.79	102.62	123.46
Apr	1,752.78	1,790.46	1,771.62	1,773.82	103.00	121.97
May	1,771.50	1,792.83	1,782.17	1,782.68	102.87	122.33
Jun	1,754.68	1,778.53	1,766.61	1,767.64	101.25	120.06
Jul	1,716.35	1,739.97	1,728.16	1,725.74	98.59	117.89
Aug	1,739.01	1,757.17	1,748.09	1,750.61	100.99	123.64
Sep	1,747.84	1,761.14	1,754.49	1,752.90	101.16	125.55
Oct	1,731.74	1,746.35	1,739.05	1,737.69	99.14	123.42
Nov	1,732.69	1,742.60	1,737.65	1,736.22	98.05	122.83
Dec	1,709.34	1,724.02	1,716.68	1,713.41	94.92	121.00
2002 Jan	1,730.90	1,744.96	1,737.93	1,738.74	95.76	90.44
Feb	1,733.72	1,748.21	1,740.97	1,741.44	95.73	90.32
Mar	1,765.02	1,776.48	1,770.75	1,771.03	97.66	92.34
Apr	1,785.74	1,799.37	1,792.56	1,792.19	99.44	94.34
May	1,790.15	1,804.00	1,797.08	1,797.59	101.60	96.48
Jun	1,784.98	1,801.62	1,793.30	1,797.17	102.56	97.73
Jul	1,797.87	1,808.75	1,803.31	1,802.83	104.33	99.23
Aug	1,801.39	1,810.77	1,806.08	1,805.83	104.01	99.21
Sep	1,808.09	1,816.06	1,812.08	1,812.64	104.08	99.28
Oct	1,822.80	1,832.01	1,827.41	1,827.20	104.75	100.17
Nov	1,826.59	1,837.81	1,832.20	1,832.32	105.66	100.42
Dec	1,839.19	1,851.93	1,845.56	1,845.01	108.31	102.56
2003 Jan	1,860.95	1,873.01	1,866.98	1,867.69	112.18	106.34
Feb	1,876.44	1,889.53	1,882.99	1,883.78	114.38	108.76
Mar	1,927.15	1,958.88	1,943.02	1,944.45	118.56	114.74
Apr	1,965.13	1,983.97	1,974.55	1,976.53	121.50	113.97
May	1,988.76	2,005.18	1,996.97	1,997.85	127.25	120.15
Jun	1,991.32	2,006.67	1,999.00	1,998.23	126.07	118.15
Jul	1,991.79	2,002.01	1,996.90	1,995.28	125.17	115.74
Aug	1,992.16	2,002.17	1,997.17	1,998.49	124.24	114.97
Sep	1,989.63	1,997.42	1,993.53	1,993.55	124.15	115.34
Oct	1,983.12	1,996.34	1,989.73	1,990.73	126.37	117.98
Nov	1,967.16	1,978.21	1,972.69	1,974.49	126.54	118.21
Dec	1,935.46	1,953.65	1,944.56	1,943.16	126.97	118.99
2004 Jan	1,928.89	1,945.93	1,937.41	1,938.16	126.51	124.83
Feb	1,847.59	1,888.11	1,867.85	1,865.06	122.43	120.67
Mar	1,913.83	1,936.46	1,925.15	1,926.65	125.17	124.27
Apr	1,909.45	1,926.97	1,918.21	1,918.78	124.14	123.20
May	1,844.25	1,864.09	1,854.17	1,855.53	118.07	117.72
Jun	1,806.65	1,827.22	1,816.94	1,818.66	117.14	118.04
Jul	1,740.55	1,763.63	1,752.09	1,748.26	112.63	112.49
Aug	1,720.94	1,739.91	1,730.43	1,731.52	110.39	111.28
Sep	1,716.79	1,734.63	1,725.71	1,721.17	109.99	111.87
Oct	1,728.25	1,743.05	1,735.65	1,735.44	111.78	114.18
Nov	1,727.55	1,742.26	1,734.91	1,730.89	113.62	115.66
Dec	1,732.31	1,748.73	1,740.52	1,739.14	116.27	117.14
2005 Jan	1,725.31	1,733.55	1,729.43	1,732.01	115.97	117.10
Feb	1,707.07	1,713.58	1,710.33	1,711.07	114.62	115.30
Mar	1,709.28	1,718.59	1,713.94	1,711.23	116.00	117.41
Apr	1,774.62	1,780.95	1,777.79	1,777.68	118.87	121.52
May	1,770.07	1,777.11	1,773.59	1,775.62	117.75	118.11
Jun	1,733.95	1,740.91	1,737.43	1,738.32	113.12	108.94

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
2004/05	725.67	858.04	2,809.26	2,881.91
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
<b>Total</b>	<b>482.50</b>	<b>535.83</b>	<b>1,660.09</b>	<b>1,810.24</b>
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
<b>Total</b>	<b>640.86</b>	<b>668.40</b>	<b>1,800.68</b>	<b>1,995.57</b>
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
<b>Total</b>	<b>636.20</b>	<b>672.02</b>	<b>1,822.41</b>	<b>2,014.01</b>
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
Jul	50.45	64.52	231.60	242.63
Aug	55.02	64.95	239.06	239.37
Sep	56.50	68.22	221.13	219.47
Oct	55.11	65.03	195.60	202.03
Nov	58.26	70.25	207.25	210.32
Dec	66.50	79.45	261.71	255.51
<b>Total</b>	<b>648.66</b>	<b>777.06</b>	<b>2,427.97</b>	<b>2,532.01</b>
2005 Jan	62.47	65.25	209.56	205.31
Feb	52.98	70.63	250.23	250.09
Mar	62.08	74.54	220.94	217.10
Apr	68.73	75.29	271.65	309.46
May	70.06	81.40	220.66	239.85
Jun	67.53	78.52	279.87	290.77
<b>Total</b>	<b>383.84</b>	<b>445.63</b>	<b>1,452.91</b>	<b>1,512.58</b>

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
<b>Calendar Year (Average)</b>										
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	93.3	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	116.1	126.2	109.8	0.5	-0.3
2003	110.3	132.4	116.4	123.4	122.9	124.1	133.2	119.4	0.5	8.7
2004	115.2	138.3	114.4	128.1	127.1	127.5	137.7	123.8	0.7	3.7
<b>Fiscal Year (Average)</b>										
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	98.3	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	96.7	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	128.3	125.6	126.1	135.6	120.5	0.1	5.2
2004/05	125.8	142.6	114.2	132.0	127.8	130.8	140.5	130.1	0.8	8.0
<b>Monthly</b>										
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	114.9	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	96.5	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	126.8	134.2	119.6	-0.5	10.2
Jul	110.2	136.0	115.6	123.4	123.9	125.9	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	124.9	133.5	121.2	0.6	7.3
Nov	113.1	134.2	118.5	123.6	124.8	125.9	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	124.9	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
Jul	111.1	140.8	112.4	128.7	127.3	126.9	137.9	122.2	1.3	1.8
Aug	119.1	141.5	112.0	127.5	128.1	126.8	138.6	125.6	2.8	4.7
Sep	121.1	141.2	112.1	127.5	127.3	126.5	138.4	126.5	0.7	5.0
Oct	124.1	141.7	113.0	129.0	125.9	126.7	138.2	128.1	1.3	5.7
Nov	128.1	141.9	112.9	128.8	127.7	127.3	138.3	130.0	1.5	7.3
Dec	128.9	141.9	115.0	130.2	128.8	133.3	138.3	131.2	0.9	8.0
2005 Jan	125.8	142.7	115.2	131.3	128.9	128.9	138.5	129.8	-1.1	8.5
Feb	124.0	144.0	116.5	134.2	128.3	129.3	142.8	130.1	-0.2	9.0
Mar	127.9	143.3	117.1	134.0	129.8	128.7	142.8	131.9	1.4	10.6
Apr	136.5	143.5	115.0	137.3	127.7	131.8	143.2	136.3	3.3	12.6
May	134.2	144.8	115.1	139.3	126.5	141.6	144.1	136.4	0.1	11.7
Jun	128.8	144.3	114.2	135.9	127.3	141.6	144.5	133.6	-2.1	10.7

Source: Uganda Bureau of Statistics





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

	Food 43.1	Beverages & 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)
<b>Calendar Year (Average)</b>										
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	98.7	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	131.6	131.6	116.2	127.6	125.1	120.4	131.7	119.0	0.5
2004	112.6	138.1	114.2	130.8	130.1	124.1	136.7	123.0	0.6	3.3
<b>Fiscal Year (Average)</b>										
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	108.3	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	108.8	112.2	109.1	109.1	107.6	0.1	6.7
2000/01	105.7	115.0	120.0	112.0	121.3	113.2	114.0	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
2004/05	122.7	142.7	113.9	134.0	130.9	126.5	139.2	128.8	0.8	7.4
<b>Monthly</b>										
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	1.0	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	116.7	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	-2.6
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	114.7	125.5	114.8	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
Jul	108.0	141.8	112.1	131.7	130.7	123.5	136.8	121.3	1.0	2.4
Aug	117.5	142.4	111.6	128.8	132.3	122.3	138.1	125.1	3.2	5.2
Sep	117.9	140.7	112.3	129.6	130.4	122.5	137.9	125.2	0.0	4.1
Oct	120.5	141.2	113.1	130.5	128.2	123.3	137.5	126.5	1.0	4.8
Nov	125.7	141.4	112.8	131.4	130.8	123.7	137.3	129.0	2.0	6.9
Dec	127.5	141.3	114.8	133.8	132.0	131.2	136.8	130.8	1.4	7.2
2005 Jan	122.2	142.6	115.0	134.6	131.6	123.0	136.8	128.1	-2.1	7.5
Feb	120.8	144.3	115.9	136.2	131.4	123.2	141.0	128.6	0.3	7.9
Mar	124.5	143.6	116.4	136.1	133.4	122.9	140.7	130.1	1.2	10.3
Apr	133.1	144.4	114.3	139.5	129.8	125.2	141.0	134.4	3.3	12.0
May	130.4	144.0	114.8	139.3	129.2	138.2	142.3	134.4	0.0	11.0
Jun	124.2	144.3	113.4	136.9	131.0	138.5	143.6	131.6	-2.1	9.5

Source: Uganda Bureau of Statistics



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

Group/Subgroup	No. of		Calendar								Fiscal						
	Estabs	Weight	1997	1998	1999	2000	2001	2002	2003	2004	1997/98	1998/99	1999/00	2000/01	2001/02	2002/03	2003/04
<b>Food Processing</b>	<b>46</b>	<b>46.0</b>	<b>39.3</b>	<b>100.0</b>	<b>110.0</b>	<b>123.6</b>	<b>118.2</b>	<b>131.9</b>	<b>135.3</b>	<b>136.4</b>	<b>100.0</b>	<b>121.8</b>	<b>117.6</b>	<b>124.6</b>	<b>132.6</b>	<b>140.0</b>	<b>139.3</b>
Meat and meat products	3	3.0	0.7	93.0	103.5	99.4	95.0	90.0	93.4	108.1	100.0	104.7	84.2	96.7	92.6	99.7	113.0
Fish and Fish products	5	5.0	3.4	76.0	123.8	140.9	155.7	263.0	254.7	229.2	100.0	130.0	118.2	212.6	249.8	268.6	228.5
Dairy products	7	7.0	2.0	93.0	100.8	78.8	71.7	62.1	57.8	65.7	100.0	96.1	69.9	67.3	57.7	63.5	70.3
Edible oil	5	5.0	4.0	96.3	112.6	132.3	145.0	156.1	142.4	157.6	100.0	127.9	136.8	153.3	153.1	143.1	166.1
Grain milling	5	5.0	0.9	77.4	112.4	113.0	190.5	185.7	176.4	211.9	100.0	110.9	134.2	191.2	170.7	193.5	236.1
Bakeries	8	8.0	3.8	78.6	114.9	98.5	151.2	89.1	81.0	87.3	100.0	112.5	125.9	134.2	81.5	84.2	92.1
Sugar and Jaggery	3	3.0	8.4	105.2	104.3	129.6	139.2	137.4	170.2	181.7	100.0	125.4	132.2	133.3	153.1	181.0	186.4
Coffee processing	1+ 1+		11.1	120.8	112.8	137.9	79.1	108.8	108.0	93.0	100.0	126.9	106.5	95.6	108.0	105.1	92.5
Tea processing	1+ 1+		2.7	81.8	102.6	96.0	113.5	125.9	128.8	143.3	100.0	94.1	105.1	117.3	127.5	137.4	146.3
Animal feeds	6	6.0	0.9	121.9	86.5	83.4	89.2	65.9	90.1	126.7	100.0	86.3	85.0	70.3	68.2	120.9	96.5
Other Food processing	4	4.0	1.4	79.7	102.5	120.4	100.1	154.7	96.8	35.9	100.0	105.6	109.6	118.6	144.3	103.9	118.4
<b>Drinks &amp; Tobacco</b>	<b>11</b>	<b>11.0</b>	<b>18.6</b>	<b>94.6</b>	<b>104.8</b>	<b>112.3</b>	<b>116.0</b>	<b>119.0</b>	<b>122.5</b>	<b>137.3</b>	<b>100.0</b>	<b>108.4</b>	<b>112.8</b>	<b>120.8</b>	<b>116.9</b>	<b>131.8</b>	<b>148.5</b>
Alcohol and Beverages	2	2.0	9.6	92.2	107.7	116.7	129.9	122.7	119.0	127.9	100.0	112.2	124.1	130.1	114.0	129.2	132.8
Soft drinks	7	7.0	5.2	95.2	105.3	119.0	121.6	152.0	177.0	207.5	100.0	109.8	121.1	134.1	166.7	187.2	232.7
Cigarettes	2	2.0	3.8	99.9	96.9	91.7	73.6	66.0	56.6	64.6	100.0	96.9	73.1	79.0	56.0	64.4	56.2
<b>Textiles Clothing &amp; Footwear</b>	<b>7</b>	<b>7.0</b>	<b>4.6</b>	<b>82.5</b>	<b>128.4</b>	<b>185.4</b>	<b>178.9</b>	<b>166.3</b>	<b>168.4</b>	<b>207.4</b>	<b>100.0</b>	<b>167.9</b>	<b>192.1</b>	<b>165.8</b>	<b>163.7</b>	<b>186.6</b>	<b>230.9</b>
Textiles and garments	4	4.0	2.7	92.9	105.2	114.4	80.0	71.6	63.5	100.5	100.0	115.7	103.5	66.9	70.0	78.4	107.4
Cotton spinning	1+ 1+		1.2	50.0	151.6	290.4	335.5	305.9	317.5	364.3	100.0	230.6	345.3	289.3	308.4	333.7	427.6
Leather and footwear	3	3.0	0.7	119.6	162.6	210.0	188.4	199.8	218.4	252.6	100.0	220.3	170.1	220.9	181.1	254.3	239.8
<b>Paper &amp; Printing</b>	<b>13</b>	<b>13.0</b>	<b>6.2</b>	<b>94.2</b>	<b>115.3</b>	<b>134.1</b>	<b>163.5</b>	<b>183.8</b>	<b>156.7</b>	<b>192.0</b>	<b>100.0</b>	<b>125.2</b>	<b>153.3</b>	<b>175.0</b>	<b>156.7</b>	<b>191.8</b>	<b>180.4</b>
Paper products	6	6.0	1.4	93.3	103.9	121.6	169.4	182.7	226.6	233.1	100.0	110.0	150.7	172.0	214.5	230.8	180.9
Printing and publishing	7	7.0	4.8	92.4	116.8	135.3	158.8	183.3	136.8	185.1	100.0	129.8	151.4	179.5	138.4	180.1	180.3
<b>Chemicals Paint &amp; Soap</b>	<b>18</b>	<b>18.0</b>	<b>8.2</b>	<b>95.7</b>	<b>109.4</b>	<b>125.3</b>	<b>124.8</b>	<b>138.2</b>	<b>132.0</b>	<b>150.7</b>	<b>100.0</b>	<b>118.5</b>	<b>125.0</b>	<b>134.4</b>	<b>134.4</b>	<b>140.3</b>	<b>146.0</b>
Chemicals	2	2.0	0.9	99.3	105.7	134.3	115.1	100.1	107.7	133.0	100.0	117.3	131.9	109.7	100.7	117.0	128.7
Paint	4	4.0	0.9	90.6	102.0	108.7	117.7	117.5	87.8	90.2	100.0	101.2	112.6	117.0	106.4	89.4	49.2
Soap and detergents	9	9.0	4.8	99.8	111.3	132.4	143.6	163.9	156.4	181.6	100.0	125.7	136.4	156.6	156.2	170.0	168.9
Foam products	3	3.0	1.7	84.7	109.5	108.9	80.4	108.8	96.3	102.4	100.0	107.9	95.8	92.6	103.3	96.6	115.2
<b>Bricks &amp; Cement</b>	<b>10</b>	<b>10.0</b>	<b>5.6</b>	<b>100.8</b>	<b>109.0</b>	<b>118.6</b>	<b>136.2</b>	<b>148.6</b>	<b>167.9</b>	<b>158.5</b>	<b>100.0</b>	<b>118.0</b>	<b>127.3</b>	<b>142.7</b>	<b>161.0</b>	<b>163.7</b>	<b>174.0</b>
Bricks, Tiles, Etc	7	7.0	1.2	99.4	109.3	118.1	125.3	122.2	161.3	140.1	100.0	115.0	127.3	124.3	145.7	154.0	112.3
Cement and lime	3	3.0	4.4	101.2	108.9	118.8	139.2	155.8	169.7	163.6	100.0	118.8	127.2	147.8	165.2	166.4	190.9
<b>Metal Products</b>	<b>15</b>	<b>15.0</b>	<b>10.5</b>	<b>88.5</b>	<b>111.6</b>	<b>126.6</b>	<b>155.9</b>	<b>204.9</b>	<b>202.2</b>	<b>178.6</b>	<b>100.0</b>	<b>122.2</b>	<b>140.3</b>	<b>178.2</b>	<b>222.8</b>	<b>176.1</b>	<b>194.1</b>
Roofing products	4	4.0	5.8	88.8	109.5	129.0	119.6	121.9	139.9	167.5	100.0	126.4	126.6	113.8	129.3	156.0	158.4
Other metal products	11	11.0	4.8	88.1	114.1	123.7	199.9	291.8	277.5	192.1	100.0	117.1	156.9	289.1	329.6	200.5	237.2
<b>Miscellaneous</b>	<b>15</b>	<b>15.0</b>	<b>7.0</b>	<b>105.2</b>	<b>101.8</b>	<b>98.1</b>	<b>98.0</b>	<b>103.7</b>	<b>152.1</b>	<b>151.6</b>	<b>100.0</b>	<b>104.3</b>	<b>100.7</b>	<b>92.6</b>	<b>131.3</b>	<b>154.5</b>	<b>172.6</b>
Vehicle Parts and Accessories	2	2.0	0.7	...	101.8	99.7	99.8	105.9	110.5	105.7	100.0	95.3	107.3	102.3	105.5	107.9	109.5
Plastic Products	12	12.0	3.2	99.5	113.3	127.8	127.0	153.7	224.0	230.7	100.0	128.2	121.3	145.1	190.4	242.8	281.2
Electrical Products	1	1.0	3.0	123.6	89.6	66.5	67.1	53.0	86.4	54.5	100.0	81.2	77.6	35.1	71.5	77.0	73.4
<b>Index - All Items</b>	<b>135</b>	<b>135.0</b>	<b>100.0</b>	<b>96.7</b>	<b>109.7</b>	<b>123.4</b>	<b>127.5</b>	<b>141.4</b>	<b>145.5</b>	<b>151.2</b>	<b>100.0</b>	<b>119.9</b>	<b>124.7</b>	<b>134.1</b>	<b>143.7</b>	<b>150.0</b>	<b>158.3</b>
Annual percentage change		0.0	0.0	...	13.4	12.5	3.3	11.0	2.9	3.9	...	19.9	3.9	7.5	7.2	4.3	5.6

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 All Items Index	Monthly Change (All Items Index)
No. of Estabs	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		
<b>Calendar Year</b>											
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		
<b>Fiscal Year</b>											
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		
<b>Monthly</b>											
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
	Jul	1,758	1,418	1,260	1,748
	Aug	1,690	1,400	1,260	1,732
	Sep	1,697	1,407	1,267	1,721
	Oct	1,760	1,470	1,330	1,735
	Nov	1,760	1,497	1,367	1,731
	Dec	1,738	1,470	1,400	1,739
2005	Jan	1,720	1,484	1,400	1,732
	Feb	1,720	1,467	1,400	1,711
	Mar	1,730	1,488	1,410	1,711
	Apr	1,883	1,642	1,588	1,778
	May	1,953	1,710	1,632	1,776
	Jun	1,975	1,673	1,500	1,738

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	181,777	...	124,347	42,241	46,361	29,468	...	642	424,836
1997	177,044	...	125,033	44,643	48,576	34,124	...	426	429,846
1998	191,977	...	150,862	60,708	60,062	39,384	...	...	502,993
1999	201,127	...	179,220	51,072	60,443	40,782	...	...	532,644
2000	191,116	...	192,371	42,094	57,514	37,912	...	...	533,611
2001	199,956	...	207,183	43,916	55,504	38,591	...	...	553,169
2002	206,556	...	226,302	40,248	58,395	37,446	...	...	579,280
2003	198,823	...	244,075	83,009	46,174	47,493	...	...	629,217
2004	186,285	...	260,978	79,134	49,340	53,340	389	4,500	640,358

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	2003	2004
<b>Production</b>														
Installed capacity	155.4	154.0	165.7	171.0	180.4	183.0	183.0	183.0	183.0	263.0	263.0	303.0	303.0	303.0
Owen Falls	150.0	150.0	162.0	168.0	177.0	180.0	180.0	180.0	180.0	260.0	260.0	300.0	300.0	300.0
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	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	1.0	1.0
Units Generated (GWh)	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	1,756.8	1,895.6
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	1,755.6	1,894.4
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	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	1,756.8	1,895.6
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	...	...	...	...	...	...	...
<b>Maximum demand (MW) 2/</b>														
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	279.1	264.5
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	71.9	82.0
<b>Energy supply (GWh)</b>														
Hydro electric	781.5	992.6	976.5	1,016.8	1,056.3	1,129.0	...	...	...	...	...	...	...	...
Thermal	1.1	1.0	1.4	1.4	1.5	...	...	...	...	...	...	...	...	...
Imports	2.7	4.4	2.8	9.0	13.1	9.9	...	...	...	...	...	...	...	...
Mubuku	2.7	4.4	2.8	9.0	13.1	9.6	...	...	...	...	...	...	...	...
Rwanda	...	...	...	...	...	0.3	...	...	...	...	...	...	...	...
<b>Sales</b>														
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	...	...	...	...	...	...	...	...
<b>Revenue</b>														
Energy sold (Ug. Shs. million)	10,241	24,398	35,996	48,504	50,411	49,176	79,100	85,236	60,916	124,230	163,688	226,879	208,971	184,623
Uganda	8,962	22,633	35,015	46,313	48,030	44,900	66,719	70,603	41,662	93,571	145,085	198,765	183,067	163,485
Domestic	4,765	12,259	17,966	24,014	24,507	27,670	27,657	26,721	18,766	30,053	56,328	83,851	75,595	67,317
Commercial	1,775	3,986	7,195	8,383	6,347	16,658	23,094	28,805	10,414	17,371	27,760	28,741	28,787	26,389
Industrial	1,405	4,327	7,117	9,656	8,856	348	15,736	14,907	12,251	45,853	60,592	85,726	77,998	69,711
General	958	1,741	2,166	3,662	8,002	...	...	...	...	...	...	...	...	...
Street lighting	59	320	571	598	318	224	232	170	231	294	405	447	687	69
Exports (bulk supply)	1,279	1,765	981	2,191	2,381	4,276	12,381	14,633	19,254	30,659	18,603	28,114	25,904	21,138
Kenya	1,279	1,765	885	658	541	2,144	10,097	11,790	16,616	27,850	15,117	24,487	21,447	16,324
Tanzania	...	...	96	1,533	1,840	2,052	2,156	2,711	2,633	2,795	3,101	3,439	4,049	4,184
Rwanda	...	...	...	...	...	80	128	132	5	14	385	188	408	630

- 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	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Beer	(000 litres)	19,529	18,718	23,882	30,822	51,238	64,158	89,639	110,469	117,845	100,067	107,914	98,911	82,636	114,865
Uganda Waragi	(000 litres)	369	331	280	459	535	560	606	210	250	360	990	1,984	411	889
Soft Drinks	(000 litres)	25,982	21,768	26,899	41,001	56,537	70,222	65,364	68,699	80,836	72,623	81,680	95,598	78,467	111,480
Cigarettes	(million sticks)	1,688	1,575	1,412	1,459	1,576	1,689	1,844	1,846	1,602	1,344	1,220	1,092	1,206	1,207
Cotton & Rayon	(000 sq mtrs)	8,904	9,649	7,482	4,270	2,608	2,410	8,825	5,206	6,860	4,743	5,603	7,707	11,135	11,135
Number Plates	(pairs)	21,309	3,917	10,603	14,900	20,548	21,074	38,523	13,381	19,059	16,529	27,234	13,242	11,135	10,055
Blankets	(000 pieces)	38	50	81	118	177	...	28	177	215	96	66	0	266	79
Bed Sheets	(pairs)	...	...	...	...	...	...	371,898	525,218	535,720	592,547	521,795	568,928	1,457,516	na
Garments	(000 dozens)	...	...	...	...	...	...	1,260	681	219	13,577	43,024	42,235	50,210	na
Foam Mattresses	(tonnes)	665	719	640	726	1,625	2,928	3,086	3,708	3,548	3,548	3,083	3,540	2,686	na
Sugar	(tonnes)	42,455	53,539	49,263	59,175	70,112	96,569	103,213	102,667	126,936	222,888	130,326	167,729	139,476	189,501
Soap	(tonnes)	33,284	38,661	47,588	48,539	55,402	58,305	62,002	72,827	83,776	75,204	90,807	92,247	101,349	93,444
Corrugated Iron Sheets	(tonnes)	2,296	5,782	14,331	25,134	31,782	29,883	29,710	28,418	39,414	34,680	58,054	47,247	39,223	48,837
Miscellaneous Metal Products	(tonnes)	...	...	...	...	...	...	14,042	16,089	17,419	18,986	18,970	na	na	na
Cement	(tonnes)	27,138	37,881	51,996	45,227	88,767	175,046	289,560	321,329	347,274	367,470	431,084	505,959	507,068	558,988
Clay Bricks, Tiles etc.	(tonnes)	13,801	15,366	18,055	18,366	15,817	21,246	17,427	32,054	32,504	20,744	29,570	34,639	33,274	15,443
Cement Blocks & Tiles	(tonnes)	15,332	7,755	8,585	18,957	10,293	10,251	6,086	4,783	6,991	9,986	6,352	7,762	6,268	2,832
Paint	(000 Litres)	331	923	1,221	1,502	2,008	1,932	2,355	2,446	2,450	2,792	2,824	2,384	1,875	2,151
Edible Oil and Fat	(tonnes)	47	628	1,654	6,265	12,821	10,204	27,532	28,276	40,516	42,834	47,970	50,604	56,002	58,078
Animal Feeds	(tonnes)	21,528	20,005	18,222	35,448	60,142	49,221	25,443	17,164	17,474	31,687	13,106	30,455	20,924	19,575
Footwear	(000 pairs)	221	418	326	660	1,240	1,830	1,274	1,471	1,725	1,696	1,979	978	3,367	3,566
Fishnets	(000 pieces)	35	63	106	145	158	199	239	288	244	311	431	376	284	20
Motor Batteries	(pieces)	27,303	33,078	43,918	47,442	44,572	61,201	56,434	64,243	63,214	61,068	67,221	69,358	72,270	79,465
Processed Milk	(000 litres)	21,199	22,705	25,880	27,671	23,601	26,894	27,468	32,405	26,494	19,303	18,322	17,522	14,930	19,553
Wheat Flour	(tonnes)	11,247	12,222	10,090	8,274	7,372	5,914	804	18,038	14,454	12,187	51,992	52,726	42,210	25,743
Electricity	(million Kwh)	785	994	978	1,018	1,057	1,130	1,219	1,234	1,342	1,535	1,577	1,702	1,757	1,758

Source: Uganda Bureau of Statistic



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

	Jun94	Jun95	Jun96	Jun97	Jun98	Jun99	Jun00	Sep00	Dec00	Mar01	Jun01	Sep01	Dec01	Mar02	Jun02	Sep02	Dec02	Mar03	Jun03	Sep03	Dec03	Mar04	Jun04	Sep04	Dec04	Mar05	Jun05	
<b>Coffee</b>																												
Robusta (Kiboko)	650	900	550	625	725	550	375	425	275	325	265	215	165	240	310	300	475	600	500	528	500	575	500	425	450	620	850	
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	945	975	1,425	1,935	
Arabica (Parchment)	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	1,225	1,900	2,050	...	
<b>Cotton</b>																												
A.R.(Seed Cotton)	280	300	300	320	320	320	320	320	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350	350
B.R.	140	150	150	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160	160
<b>Tea (Green Leaf)</b>																												
	100	100	100	100	100	112	112	112	112	112	112	112	112	112	112	112	112	112	112	112	112	112	112	112	180	180	180	180
<b>Tobacco (Unprocessed)</b>																												
Flue Cured	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	975	975	975	975
Fire Cured	960	730	830	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930	930
<b>Cocoa</b>																												
Wet Beans	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	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	2004
<b>Export Crops</b>																		
Coffee	167	151	169	129	147	110	145	198	181	287,925	220	205	236,246	154,700	197,410	209,546	150,871	170,081
Robusta	158	142	161	117	133	95	122	167	160	260,765	195	181	208,764	130,358	166,729	184,404	121,955	138,088
Arabica	9	9	8	12	14	15	22	32	22	2,716	25	24	27,482	24,342	30,681	25,142	28,916	31,993
Cotton (Lint)	3	2	3	4	8	7	...	...	...	...	19	5	14,482	2,129	12,479	12,323	16,762	...
Tobacco	1	3	3	3	5	7	5	7	7	6,349	8	11	20,864	22,837	22,572	36,310	34,250	32,520
Tea	4	4	5	7	9	10	12	13	13	17,418	21	26	24,739	29,236	32,857	39,476	36,895	35,706
Sugar (Raw)	...	8	16	29	42	54	49	...	...	...	...	...	...	...	...	...	...	...
Cocoa	0.1	0.2	0.5	1.4	0.5	0.5	...	...	...	...	...	...	...	...	...	...	...	...
<b>Food Crops</b>																		
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	9,700	9,686
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	2,508	2,274
Maize	357	440	624	602	567	657	804	850	913	759	740	924	1,053	1,096	1,174	1,217	1,300	1,080
Finger Millet	518	578	610	560	576	634	610	610	632	440	502	642	606	534	584	590	640	659
Sorghum	315	344	347	360	363	375	383	390	399	298	294	420	413	361	423	427	421	399
Rice	20	23	45	54	61	68	74	77	77	82	80	90	95	109	114	120	132	121
Wheat	10	13	11	4	9	9	9	9	9	9	9	9	11	12	14	14	15	15
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	8,617	8,723
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	2,610	2,650
Irish Potatoes	185	190	248	224	254	268	320	368	402	318	360	384	449	478	508	546	557	573
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	5,450	5,500
Oil Seeds	163	184	206	257	264	272	295	287	294	285	248	309	331	364	392	420	430	420
Sim-sim	33	36	45	62	61	72	75	70	71	73	73	77	93	97	102	106	120	125
Groundnuts	122	134	145	158	144	147	153	142	144	125	91	140	137	139	146	148	150	137
Soyabeans	8	14	16	37	59	53	67	75	79	87	84	92	101	128	144	166	160	158
Pulses	374	430	485	498	488	509	540	495	509	356	346	517	558	574	665	692	690	623
Beans (Mixed)	299	338	389	396	383	402	428	378	390	234	221	387	401	420	511	535	525	455
Field Peas	11	12	12	12	15	15	16	17	16	17	20	19	19	16	15	16	14	15
Pigeon Peas	27	42	46	51	50	51	53	55	58	58	59	61	76	78	80	82	84	84
Cow Peas	37	38	38	39	40	41	43	45	45	47	46	50	62	60	59	59	67	69

Source: Ministry of Agriculture, animal Industry and Fisheries



## Appendix 43: coffee Procurements (metric tonnes)

	1988/89	1989/90	1990/91	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
<b>First Quarter</b>	<b>39,134</b>	<b>35,105</b>	<b>34,190</b>	<b>41,538</b>	<b>27,630</b>	<b>40,242</b>	<b>55,342</b>	<b>70,797</b>	<b>81,811</b>	<b>37,267</b>	<b>55,111</b>	<b>75,240</b>	<b>37,628</b>	<b>36,474</b>	<b>50,154</b>	<b>35,698</b>
Oct	14,233	11,430	10,103	13,346	8,037	5,630	14,573	18,818	31,349	8,761	8,532	18,346	8,483	9,437	14,257	8,292
Nov	11,313	12,276	8,645	13,422	9,188	10,904	17,483	22,976	22,443	12,593	20,198	30,867	14,057	9,155	16,501	8,141
Dec	13,588	11,399	15,442	14,770	10,405	23,708	23,286	29,004	28,019	15,912	26,381	26,027	15,088	17,882	19,396	19,265
<b>Second Quarter</b>	<b>50,236</b>	<b>36,658</b>	<b>38,521</b>	<b>35,903</b>	<b>60,004</b>	<b>57,548</b>	<b>39,219</b>	<b>82,332</b>	<b>89,547</b>	<b>51,778</b>	<b>73,418</b>	<b>40,306</b>	<b>63,323</b>	<b>46,927</b>	<b>43,972</b>	<b>53,171</b>
Jan	17,900	13,537	16,456	14,807	22,105	23,185	15,721	31,299	40,176	20,910	29,744	16,439	23,741	15,684	19,080	21,914
Feb	17,733	11,933	12,408	12,500	22,741	18,050	12,029	30,666	30,582	18,667	26,134	13,073	20,523	18,620	15,041	15,563
Mar	14,603	11,188	9,657	8,596	15,158	16,313	11,470	20,366	18,790	12,200	17,540	10,793	19,059	12,623	9,851	15,694
<b>Third Quarter</b>	<b>37,964</b>	<b>18,274</b>	<b>12,817</b>	<b>13,016</b>	<b>19,801</b>	<b>26,064</b>	<b>25,914</b>	<b>52,985</b>	<b>49,326</b>	<b>49,284</b>	<b>53,445</b>	<b>28,957</b>	<b>35,784</b>	<b>50,887</b>	<b>33,064</b>	
Apr	16,029	8,252	3,268	4,520	9,472	4,688	8,940	22,816	18,863	10,278	11,854	8,843	11,027	11,473	7,814	
May	14,678	5,634	3,569	4,271	6,493	10,230	9,328	17,806	18,032	12,177	18,120	11,715	13,250	16,738	9,911	
Jun	7,257	4,388	5,980	4,225	3,836	11,146	7,646	12,363	12,431	26,829	23,471	8,398	11,508	22,677	15,339	
<b>Fourth Quarter</b>	<b>45,910</b>	<b>39,381</b>	<b>57,492</b>	<b>25,230</b>	<b>21,029</b>	<b>59,417</b>	<b>45,414</b>	<b>51,237</b>	<b>43,483</b>	<b>48,943</b>	<b>49,220</b>	<b>36,584</b>	<b>61,829</b>	<b>61,579</b>	<b>38,143</b>	
Jul	15,343	11,793	18,197	12,164	7,215	17,878	10,006	16,371	18,745	17,155	19,362	15,465	20,707	27,641	16,963	
Aug	17,912	15,308	22,013	3,860	7,237	20,871	17,069	19,805	15,729	12,857	17,768	12,959	21,859	18,619	11,773	
Sep	12,655	12,280	17,282	9,206	6,577	20,668	18,339	15,062	9,009	18,931	12,091	8,160	19,263	15,319	9,407	
<b>Total for Crop year</b>	<b>173,244</b>	<b>129,418</b>	<b>143,020</b>	<b>115,687</b>	<b>128,464</b>	<b>183,271</b>	<b>165,890</b>	<b>257,351</b>	<b>264,169</b>	<b>187,271</b>	<b>231,193</b>	<b>181,087</b>	<b>198,564</b>	<b>195,867</b>	<b>165,333</b>	<b>88,869</b>

Note: One metric tonne of coffee contains 16.67 bags (60 kilograms per bag)

Source: Uganda Coffee Development Authority



## Appendix 44: Coffee Exports (quantity in 60 kg.bags; value in US\$)

	1997/98		1998/99		1999/00		2000/01		2001/02		2002/03		2003/04		2004/05	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
<b>First Quarter</b>	<b>555,914</b>	<b>50,436,257</b>	<b>809,588</b>	<b>69,576,415</b>	<b>1,002,716</b>	<b>61,801,989</b>	<b>598,731</b>	<b>22,393,945</b>	<b>576,625</b>	<b>15,220,556</b>	<b>788,251</b>	<b>27,848,111</b>	<b>500,271</b>	<b>21,546,883</b>	<b>604,220</b>	<b>28,919,849</b>
Oct	130,829	12,139,601	99,123	8,457,976	225,025	13,503,447	138,785	5,518,917	151,404	4,011,814	222,886	7,094,916	133,774	5,531,234	185,933	8,248,721
Nov	179,604	16,065,529	242,062	20,610,613	411,903	24,827,299	227,519	8,421,409	150,120	4,125,346	262,187	9,520,894	137,920	5,960,398	182,881	8,301,451
Dec	245,481	22,231,127	468,403	40,507,826	365,788	23,471,243	232,427	8,453,619	275,101	7,083,396	303,178	11,232,301	228,577	10,055,251	235,406	12,369,677
<b>Second Quarter</b>	<b>861,622</b>	<b>84,211,794</b>	<b>1,118,763</b>	<b>96,849,584</b>	<b>658,036</b>	<b>45,539,857</b>	<b>848,319</b>	<b>31,944,740</b>	<b>813,540</b>	<b>21,582,278</b>	<b>695,828</b>	<b>29,939,111</b>	<b>767,072</b>	<b>36,519,482</b>	<b>622,366</b>	<b>37,772,841</b>
Jan	299,742	27,460,418	428,020	38,424,813	300,963	20,663,319	340,863	12,521,947	313,732	7,995,316	302,881	12,652,766	296,301	13,391,914	211,831	11,450,326
Feb	327,056	32,481,496	402,710	34,797,753	207,953	14,851,580	295,717	11,335,323	271,485	6,893,603	230,720	10,435,633	235,193	11,215,555	215,118	12,390,484
Mar	234,824	24,269,880	288,033	23,627,018	149,120	10,024,958	211,739	8,087,470	228,323	6,693,359	162,227	6,850,712	235,578	11,912,013	195,417	13,932,031
<b>Third Quarter</b>	<b>647,897</b>	<b>63,290,019</b>	<b>854,626</b>	<b>61,472,846</b>	<b>512,945</b>	<b>25,239,824</b>	<b>646,984</b>	<b>23,120,006</b>	<b>784,172</b>	<b>21,158,636</b>	<b>536,360</b>	<b>21,702,411</b>	<b>621,648</b>	<b>30,033,116</b>	<b>659,114</b>	<b>35,092,842</b>
Apr	138,473	14,323,573	173,031	13,446,223	94,953	5,250,089	177,364	6,870,463	187,954	5,835,587	121,489	4,790,866	177,569	8,766,967	211,388	15,347,589
May	152,883	15,497,981	265,978	19,360,211	153,221	7,643,455	199,427	7,493,905	226,435	5,645,537	162,063	6,940,276	180,901	8,617,413	218,475	1,677,748
Jun	356,541	33,468,465	415,617	28,666,412	264,771	12,346,280	270,193	8,755,638	369,783	9,677,512	252,808	9,971,269	263,178	12,648,736	229,251	18,067,505
<b>Fourth Quarter</b>	<b>966,905</b>	<b>78,536,164</b>	<b>864,992</b>	<b>54,298,385</b>	<b>743,560</b>	<b>32,156,217</b>	<b>981,099</b>	<b>27,329,374</b>	<b>972,044</b>	<b>25,975,482</b>	<b>662,873</b>	<b>25,998,368</b>	<b>634,311</b>	<b>27,615,749</b>		
Jul	407,727	33,794,857	342,029	21,746,770	291,029	13,452,440	335,772	10,101,963	428,452	11,559,320	285,366	11,161,549	284,090	12,805,080		
Aug	351,247	28,051,753	303,987	19,127,872	220,302	9,466,303	354,326	9,632,984	293,102	7,592,777	200,858	7,905,176	187,365	7,873,035		
Sep	207,931	16,689,554	218,976	13,423,743	232,229	9,237,474	291,001	7,594,427	250,490	6,823,385	176,649	6,931,643	162,856	6,937,634		
<b>Total for Crop year</b>	<b>3,032,338</b>	<b>276,474,234</b>	<b>3,647,969</b>	<b>282,197,230</b>	<b>2,917,257</b>	<b>164,737,887</b>	<b>3,075,133</b>	<b>104,788,065</b>	<b>3,146,381</b>	<b>83,936,952</b>	<b>2,683,312</b>	<b>105,488,001</b>	<b>2,523,302</b>	<b>115,715,230</b>		

Source: Uganda Development Authority



## Appendix 45: Coffee Shipments (volume, price and value).

	2002					2003					2004					2005				
	Quantity (60 kilo- bags)	Unit Price \$ per Kg	Value (U.S.\$)	%Change in Quantity 2002/01	%Change in Value 2002/01	Quantity (60 kilo- bags)	Unit Price \$ per Kg	Value (U.S.\$)	%Change in Quantity 2003/02	%Change in Value 2003/02	Quantity (60 kilo- bags)	Unit Price \$ per Kg	Value (U.S.\$)	%Change in Quantity 2003/02	%Change in Value 2003/02	Quantity (60 kilo- bags)	Unit Price \$ per Kg	Value (U.S.\$)	%Change in Quantity 2003/02	%Change in Value 2003/02
Jan	313,732	0.42	7,995,316	-8.0	-36.1	302,881	0.70	12,652,766	-3.5	58.3	236,301	0.75	13,391,914	-2.2	5.8	211,831	0.90	11,450,326	-28.5	-14.5
Feb	271,485	0.42	6,893,603	-8.2	-39.2	230,720	0.75	10,435,633	-15.0	51.4	235,193	0.79	11,215,555	1.9	7.5	215,118	0.96	12,390,484	-8.5	10.5
Mar	228,323	0.49	6,693,359	7.8	-17.2	162,227	0.70	6,850,712	-28.9	2.4	235,578	0.84	11,920,394	45.2	74.0	195,417	1.19	13,932,031	-17.0	17.0
<b>Q1</b>	<b>813,540</b>	<b>0.44</b>	<b>21,582,278</b>	<b>-4.1</b>	<b>-32.4</b>	<b>695,828</b>	<b>0.72</b>	<b>29,939,111</b>	<b>-14.5</b>	<b>38.7</b>	<b>767,072</b>	<b>0.79</b>	<b>36,527,863</b>	<b>10.2</b>	<b>22.0</b>	<b>622,366</b>	<b>1.01</b>	<b>37,772,841</b>	<b>-18.9</b>	<b>3.4</b>
Apr	187,954	0.52	5,835,587	6.0	-15.1	121,489	0.66	4,790,866	-35.4	-17.9	177,599	0.82	8,768,177	46.2	83.0	211,388	1.21	15,347,589	19.0	75.1
May	226,435	0.42	5,645,537	13.5	-24.7	162,063	0.71	6,940,276	-28.4	22.9	180,901	0.79	8,617,413	11.6	24.2	218,475	0.13	1,677,748	20.8	-80.5
Jun	369,783	0.44	9,677,512	36.9	10.5	252,808	0.66	9,971,269	-31.6	3.0	263,578	0.80	12,668,868	4.3	27.1	229,251	1.31	18,067,505	-12.9	42.8
<b>Q2</b>	<b>784,172</b>	<b>0.45</b>	<b>21,158,636</b>	<b>21.2</b>	<b>-8.5</b>	<b>536,360</b>	<b>0.67</b>	<b>21,702,411</b>	<b>-31.6</b>	<b>2.6</b>	<b>622,078</b>	<b>0.81</b>	<b>30,054,458</b>	<b>16.0</b>	<b>38.5</b>	<b>659,114</b>	<b>0.89</b>	<b>35,092,842</b>	<b>6.0</b>	<b>16.8</b>
Jul	428,452	0.45	11,559,320	27.6	14.4	285,366.0	0.7	12,796,509.0	-33.4	10.7	284,090.0	0.8	12,805,060.0	-0.4	14.7					
Aug	293,102	0.43	7,592,777	-17.3	-21.2	200,858.0	0.7	7,894,199.0	-31.5	4.0	187,365.0	0.7	7,873,035.0	-6.7	-0.4					
Sep	250,490	0.45	6,823,385	-13.9	-10.2	176,649.0	0.7	6,931,643.0	-29.5	1.6	162,856.0	0.7	6,937,634.0	-7.8	0.1					
<b>Q3</b>	<b>972,044</b>	<b>0.45</b>	<b>25,975,482</b>	<b>-0.9</b>	<b>-5.0</b>	<b>662,873</b>	<b>1</b>	<b>27,622,351</b>	<b>-31.8</b>	<b>6.3</b>	<b>634,311</b>	<b>1</b>	<b>27,615,749</b>	<b>-4.3</b>	<b>6.2</b>					
Oct	222,886	0.53	7,094,916	45.7	75.4	133,774.0	0.7	5,531,235.0	-40.0	-22.0	185,933.0	0.7	8,248,721.0	39.0	49.1					
Nov	262,187	0.61	9,520,894	74.7	130.8	138,120.0	0.7	5,972,832.0	-47.3	-37.3	182,881.0	0.8	8,301,451.0	32.6	39.3					
Dec	303,178	0.62	11,232,301	10.6	59.2	228,407.0	0.7	10,043,871.0	-24.7	-10.6	235,406.0	0.9	12,369,677.0	3.0	23.0					
<b>Q4</b>	<b>788,251</b>	<b>0.59</b>	<b>27,848,111</b>	<b>36.5</b>	<b>82.9</b>	<b>500,301</b>	<b>1</b>	<b>21,547,938</b>	<b>-36.5</b>	<b>-22.6</b>	<b>604,220</b>	<b>1</b>	<b>28,919,849</b>	<b>20.8</b>	<b>34.2</b>					
<b>Total</b>	<b>3,358,007</b>	<b>0.48</b>	<b>96,564,507</b>	<b>10.0</b>	<b>-1.1</b>	<b>2,395,362</b>	<b>0.7</b>	<b>100,811,811</b>	<b>-28.7</b>	<b>4.4</b>	<b>2,627,681</b>	<b>0.8</b>	<b>123,117,919</b>	<b>9.7</b>	<b>22.1</b>					

Source: Uganda Coffee Development Authority



## Appendix 46: Coffee Exports by Destination (volume in 60kg bags).

Country	1990/91	1991/92	1992/93	1993/94	1994/95	1995/96	1996/97	1997/98	1998/99	1999/00	2000/01	2001/02
European Union	...	...	...	...	1,364,384	1,789,484	3,359,209	1,493,347	1,718,887	1,676,691	1,975,718	2,717,071
USA	306,307	320,143	174,362	107,507	8,749	6,080	15,850	9,947	8,841	34,166	16,978	20,170
Canada	12,147	40,687	7,408	19,573	624	...	880	1,263	29,631	620	9,506	3,144
Belgium	209,864	442,198	...	956,544	259,061	582,830	42,853	69,836	243,500	145,129	...	...
Denmark	247	3,850	...	5,900	535	...	1,175	4,459	27,354	3,680	...	...
France	340,328	222,337	...	255,803	45,658	123,046	19,775	61,180	66,389	21,344	...	...
Netherlands	64,818	83,965	...	9,120	18,961	7,500	3,480	90,786	173,575	...	...	...
Italy	272,977	204,812	...	70,345	18,344	67,206	29,473	41,544	103,553	113,197	...	...
UK	172,200	134,871	...	56,356	20,725	72,820	53,623	75,569	157,234	71,952	...	...
Germany	59,380	124,778	...	162,419	62,912	63,105	29,473	185,214	148,272	158,707	...	...
Australia	...	...	...	...	...	...	1,200	...	47,864	...	...	650
Portugal	8,806	14,148	...	28,648	7,440	1,500	2,783	5,786	29,323	8,296	...	...
Finland	...	8,485	...	600	...	...	...	...	...	...	...	...
New Zealand	...	550	...	...	...	...	...	...	...	...	...	...
Spain	293,672	273,028	...	399,183	170,226	227,998	55,263	310,353	358,354	346,135	...	...
Switzerland	3,281	11,975	...	76,606	84,705	263,658	74,854	205,058	62,389	71,464	471,714	135,701
Singapore	...	550	...	...	...	...	...	...	...	17,285	20,180	11,714
Yugoslavia	21,550	29,910	...	...	...	...	...	...	...	...	...	...
Japan	70,316	12,011	...	...	7,353	1,140	1,634	...	1,200	1,290	2,045	5,420
Korea	3,320	300	...	...	...	...	...	...	...	...	...	...
Greece	...	...	...	...	...	44,174	1,860	3,680	...	2,540	...	...
Ireland	...	...	...	...	...	13,513	...	...	...	...	...	...
Hungary	...	...	...	...	134,361	468,679	86,081	298,045	186,608	53,217	22,470	45,046
Israel	...	...	...	...	4,601	9,009	...	3,080	990	...	3,655	3,556
Czechoslovakia	...	...	...	...	331	7,350	5,033	7,200	...	3,120	...	710
Jordan	...	...	...	...	3,743	6,728	2,240	2,730	7,800	3,520	...	668
Egypt	...	...	...	...	12,488	5,391	7,477	668	40,853	3,420	...	2,330
Slovenia	...	...	...	...	4,372	4,500	...	...	9,550	...	4,995	...
Poland	...	...	...	...	30,186	4,200	31,300	56,662	...	63,539	32,886	20,066
Sudan	...	...	...	...	7,137	2,397	20,269	85,392	162,617	55,749	143,715	158,077
Others	67,519	88,847	1,906,873	856,781	525,233	376,495	391,329	70,539	63,205	62,196	370,901	22,058
<b>Total</b>	<b>1,906,742</b>	<b>2,017,445</b>	<b>2,088,643</b>	<b>3,005,385</b>	<b>2,792,129</b>	<b>4,148,803</b>	<b>4,237,114</b>	<b>3,082,338</b>	<b>3,647,989</b>	<b>2,917,257</b>	<b>3,074,773</b>	<b>3,146,381</b>

Note: Coffee seasons are October to September

Source: Uganda Coffee Development Authority



## Appendix 47: Projected midyear population by region and district 1/

Region/District	Census Populatin			Mid -Year Population		
	1980	1991	2002	2003	2004	2005
<b>Central</b>						
Kalangala	8,575	16,371	36,661	38,700	41,400	44,300
Kampala	458,503	774,241	1,208,544	1,244,400	1,290,500	1,337,900
Kayunga	194,793	236,177	297,081	301,400	306,800	312,300
Kiboga	138,676	141,607	231,718	239,400	249,200	259,400
Luwero	338,508	349,194	474,627	484,100	496,100	508,300
Masaka	520,312	694,697	767,759	772,100	777,300	782,400
Mpigi	271,775	350,980	414,757	419,000	424,300	429,500
Mubende	371,584	500,976	706,256	722,100	742,400	763,000
Mukono	439,482	588,427	807,923	824,600	845,800	867,300
Nakasongola	73,966	100,497	125,297	127,000	129,200	131,400
Rakai	274,558	383,501	471,806	478,000	485,700	493,300
Sembabule	102,269	144,039	184,178	187,100	190,700	194,400
Wakiso	389,433	562,887	957,280	991,500	1,035,800	1,081,800
<b>Total</b>	<b>3,582,434</b>	<b>4,843,594</b>	<b>6,683,887</b>	<b>6,837,603</b>	<b>7,036,350</b>	<b>7,241,943</b>
<b>Eastern</b>						
Bugiri	155,513	239,307	426,522	443,200	464,800	487,400
Busia	126,184	163,597	228,181	233,100	239,500	245,900
Iganga	360,312	489,627	716,311	734,300	757,300	780,800
Jinja	228,520	289,476	413,937	423,700	436,100	448,700
Kaberamaido	79,344	81,535	122,924	126,300	130,600	135,000
Kamuli	349,549	485,214	712,079	730,100	753,200	776,800
Kapchorwa	73,967	116,702	193,510	200,100	208,600	217,400
Katakwi	177,447	144,597	307,032	322,800	343,800	365,900
Kumi	239,539	236,694	388,015	400,900	417,500	434,600
Mayuge	128,056	216,849	326,567	335,400	346,800	358,400
Mbale	372,169	498,675	720,925	738,400	760,800	783,600
Pallisa	261,183	357,656	522,254	535,300	552,000	569,000
Sironko	184,772	212,305	291,906	298,000	305,700	313,500
Soroti	219,838	204,258	371,986	387,100	406,800	427,300
Tororo	281,043	391,977	559,528	572,600	589,300	606,300
<b>Total</b>	<b>3,237,436</b>	<b>4,128,469</b>	<b>6,301,677</b>	<b>6,481,100</b>	<b>6,712,400</b>	<b>6,950,600</b>
<b>Northern</b>						
Adjumani	48,789	96,264	201,493	211,700	225,100	239,300
Apac	313,333	454,504	676,244	694,000	716,800	740,100
Arua	394,303	538,147	855,055	881,500	915,500	950,600
Gulu	270,085	338,427	468,407	478,300	491,000	503,800
Kitgum	145,821	175,587	286,122	295,500	307,500	320,000
Kotido	161,445	196,006	596,130	642,400	705,400	774,400
Lira	370,252	500,965	757,763	778,500	805,200	832,600
Moroto	95,863	96,833	170,506	177,000	185,500	194,300
Moyo	57,703	79,381	199,912	212,700	229,800	248,200
Nakapiripirit	92,778	77,584	153,862	161,000	170,500	180,400
Nebbi	233,000	316,866	433,466	442,300	453,500	464,900
Pader	162,890	181,597	293,679	303,100	315,300	327,900
Yumbe	77,980	99,794	253,325	269,600	291,500	315,100
<b>Total</b>	<b>2,424,242</b>	<b>3,151,955</b>	<b>5,345,964</b>	<b>5,547,600</b>	<b>5,812,600</b>	<b>6,091,600</b>
<b>Western</b>						
Bundibugyo	112,216	116,566	212,884	221,600	232,900	244,700
Bushenyi	408,663	579,137	723,427	733,600	746,400	759,200
Hoima	142,247	197,851	349,204	362,600	380,000	398,200
Kabale	328,757	417,218	471,783	475,200	479,400	483,400
Kabarole	224,638	299,573	359,180	363,200	368,300	373,300
Kamwenge	129,022	201,654	295,313	302,700	312,300	322,000
Kanungu	118,658	160,708	205,095	208,300	212,300	216,400
Kasese	277,697	343,601	532,993	548,600	568,600	589,200
Kibaale	152,054	220,261	413,353	431,000	454,100	478,300
Kisoro	126,664	186,681	219,427	221,600	224,300	226,900
Kyenjojo	166,161	245,573	380,362	391,400	405,700	420,300
Masindi	223,230	260,796	469,865	488,600	512,900	538,400
Mbarara	590,998	782,797	1,089,051	1,112,500	1,142,500	1,172,800
Ntungamo	213,161	305,199	386,816	392,700	400,000	407,400
Rukungiri	177,901	230,072	308,696	314,600	322,000	329,600
<b>Total</b>	<b>3,392,067</b>	<b>4,547,687</b>	<b>6,417,449</b>	<b>6,568,200</b>	<b>6,761,700</b>	<b>6,960,100</b>
<b>Overall Total</b>	<b>12,636,179</b>	<b>16,671,705</b>	<b>24,748,977</b>	<b>25,426,200</b>	<b>26,302,000</b>	<b>27,207,800</b>

1/ The populations are based on the 2002 Population and Housing Census.

Source: Uganda Bureau of Statistics





## Appendix 48: Growth Rates and Sex Ratios by Region and District 1/

Region	District	Total Population (000)				Growth Rates			Sex Ratios 2/				
		1969	1980	1991	2002	1969-1991	1980-1991	1991-2002	1969	1980	1991	2002	
Central	Kalangala	6.800	8.575	16.371	36.661	4.1	5.9	6.5	170.3	144.8	154.1	148.9	
	Kampala	330.700	458.503	774.241	1,208.544	4.0	4.8	3.7	123.7	102.6	95.0	92.0	
	Kayunga	...	194.793	236.177	297.081	...	1.8	1.9	...	...	98.0	94.0	
	Kiboga	75.700	138.676	141.607	231.718	2.9	0.2	4.1	119.8	110.2	105.0	104.0	
	Luwero	315.200	338.508	349.194	474.627	1.2	0.3	2.7	109.0	103.3	99.0	98.0	
	Masaka	451.200	520.312	694.697	767.759	2.7	2.6	0.9	110.0	101.1	98.2	95.0	
	Mpigi	513.500	271.775	350.980	414.757	2.7	2.3	1.3	110.3	103.3	100.0	100.0	
	Mubende	255.300	371.584	500.976	706.256	3.2	2.7	2.7	116.8	110.1	102.9	100.0	
	Mukono	541.000	439.482	588.427	807.923	2.0	2.7	2.6	117.2	104.7	102.0	99.0	
	Nakasongola	...	73.966	100.497	125.297	3.5	2.8	2.0	...	...	101.0	101.0	
	Rakai	181.600	274.558	383.501	471.806	3.5	3.0	1.8	103.6	98.5	97.3	96.0	
	Sembabule	...	102.269	144.039	184.178	4.1	3.1	1.9	...	...	101.0	98.0	
	Wakiso	...	389.433	562.887	957.280	...	3.3	4.1	...	...	99.0	94.0	
	<b>Total</b>		<b>2,671.000</b>	<b>3,582.434</b>	<b>4,843.594</b>	<b>6,683.887</b>	<b>2.8</b>	<b>2.7</b>	<b>2.6</b>	<b>113.6</b>	<b>103.7</b>	<b>99.0</b>	<b>97.0</b>
Eastern	Bugiri	...	155.513	239.307	426.522	4.0	3.9	4.7	...	...	96.0	94.0	
	Busia	...	126.184	163.597	228.181	2.8	2.4	2.7	...	...	94.0	92.0	
	Iganga	470.200	360.312	489.627	716.311	3.0	2.8	3.2	100.5	96.3	94.0	92.0	
	Jinja	196.300	228.520	289.476	413.937	1.8	2.1	2.5	118.4	106.8	98.1	96.0	
	Kaberamaido	...	79.344	81.535	122.924	...	0.2	4.1	...	...	95.0	95.0	
	Kamuli	278.300	349.549	485.214	712.079	2.6	3.0	3.2	100.5	98.2	96.0	94.0	
	Kapchorwa	64.500	73.967	116.702	193.510	2.8	4.1	4.2	102.3	104.8	101.0	98.0	
	Katakwi	117.400	177.447	144.597	307.032	-0.2	-1.9	6.2	...	...	98.0	93.0	
	Kumi	...	239.539	236.694	388.015	1.0	-0.1	4.3	91.1	91.3	90.9	92.0	
	Mayuge	...	128.056	216.849	326.567	...	4.8	3.5	...	...	98.0	94.0	
	Mbale	421.400	372.169	498.675	720.925	2.4	2.7	3.1	102.2	99.6	99.0	96.0	
	Pallisa	202.200	261.183	357.666	522.254	2.7	2.9	3.2	96.0	94.2	94.6	93.0	
	Siroko	...	184.772	212.305	291.906	...	1.3	2.5	...	...	103.0	98.4	
	Soroti	379.900	219.838	204.258	371.986	1.0	-0.7	5.1	94.8	94.3	93.0	95.1	
	Tororo	324.900	281.043	391.977	559.528	2.4	3.0	2.7	97.4	95.4	98.0	95.0	
	<b>Total</b>		<b>2,455.100</b>	<b>3,237.436</b>	<b>4,128.469</b>	<b>6,301.677</b>	<b>2.4</b>	<b>2.2</b>	<b>3.5</b>	<b>99.7</b>	<b>97.0</b>	<b>96.3</b>	<b>94.0</b>
	Northern	Adjumani	...	48.789	96.264	201.493	3.9	6.2	6.4	...	...	93.0	98.0
Apach		225.400	313.333	454.504	676.244	3.3	3.4	3.5	98.9	97.5	96.2	96.0	
Arua		369.600	394.303	538.147	855.055	2.6	2.8	3.8	93.6	92.4	93.2	93.1	
Gulu		223.700	270.085	338.427	468.407	1.9	2.1	2.9	99.1	94.7	96.6	97.3	
Kitgum		240.100	145.821	175.587	286.122	1.9	1.7	4.1	96.1	94.9	93.5	98.0	
Kotido		105.600	161.445	196.006	596.130	2.9	1.8	9.5	91.8	92.8	89.3	97.0	
Lira		278.900	370.252	500.965	757.763	2.7	2.7	3.4	98.6	97.8	97.7	96.0	
Moroto		164.700	95.863	96.833	170.506	0.3	0.1	5.8	98.2	89.7	84.0	93.0	
Moyo		90.000	57.703	79.381	199.912	2.4	2.9	7.7	95.9	97.4	95.0	103.7	
Nakapiripint		...	92.778	77.584	153.862	...	-1.6	5.9	...	...	86.0	99.0	
Nebbi		204.100	233.000	316.866	433.466	2.1	2.8	2.7	93.7	91.9	92.3	91.5	
Pader		...	162.890	181.597	293.679	...	1.0	4.6	...	...	93.0	98.0	
Yumbe		...	77.980	99.794	253.325	...	2.2	7.9	...	...	94.0	101.3	
<b>Total</b>			<b>1,902.100</b>	<b>2,424.242</b>	<b>3,151.955</b>	<b>5,345.964</b>	<b>2.4</b>	<b>2.4</b>	<b>4.6</b>	<b>96.3</b>	<b>94.4</b>	<b>93.9</b>	<b>96.0</b>
Western		Bundibugyo	79.400	112.216	116.566	212.884	1.8	0.3	5.0	99.1	101.7	98.4	93.0
	Bushenyi	410.700	408.663	579.137	723.427	3.0	3.2	2.0	91.0	91.3	92.8	92.0	
	Hoiwa	112.700	142.247	197.851	349.204	2.6	3.0	4.7	108.9	103.0	101.3	100.0	
	Kabale	288.600	328.757	417.218	471.783	1.7	2.2	0.8	84.7	89.1	90.1	88.2	
	Kabarole	328.000	224.638	299.573	359.180	3.8	2.6	1.5	105.0	99.4	99.0	100.0	
	Kamwenge	...	129.022	201.654	295.313	...	4.1	2.3	...	...	96.0	93.0	
	Kanungu	...	118.658	160.708	205.095	...	2.8	2.1	...	...	93.0	93.0	
	Kasese	164.100	277.697	343.601	532.993	3.5	1.9	3.6	116.6	104.9	95.3	94.0	
	Kibale	83.700	152.054	220.261	413.353	4.5	3.4	5.2	105.0	101.0	99.3	97.0	
	Kisoro	114.800	126.664	186.681	219.427	2.3	3.5	1.4	81.1	82.6	86.2	82.0	
	Kyenjojo	...	166.161	245.573	380.362	...	3.6	3.7	...	...	98.0	98.0	
	Masindi	155.500	223.230	260.796	469.865	2.4	1.4	4.9	110.8	106.4	102.4	100.0	
	Mbarara	450.500	590.998	782.797	1,089.051	3.5	2.6	2.8	94.9	96.3	97.0	96.8	
	Ntungamo	...	213.161	305.199	386.816	2.4	3.3	1.9	...	...	93.0	92.0	
	Rukungiri	244.600	177.901	230.072	308.696	2.2	2.3	1.5	91.8	93.1	92.0	91.0	
<b>Total</b>		<b>2,432.600</b>	<b>3,392.067</b>	<b>4,547.687</b>	<b>6,417.449</b>	<b>2.9</b>	<b>2.7</b>	<b>2.8</b>	<b>96.6</b>	<b>96.4</b>	<b>95.0</b>	<b>94.0</b>	
<b>Overall Total</b>		<b>9,460.800</b>	<b>12,636.179</b>	<b>16,671.705</b>	<b>24,748.977</b>	<b>2.6</b>	<b>2.5</b>	<b>3.3</b>	<b>101.9</b>	<b>98.2</b>	<b>96.0</b>	<b>96.0</b>	

1/ The figures in the table are based on censuses conducted in 1969, 1980 and 1991.

2/ Sex Ratios = males per 100 females

Source: Uganda Bureau of Statistics



## Appendix 49: Estimated Number of Vehicles on the Road.

Year	Heavy Comm.	Pick-ups & vans	Buses	Mini Buses	Cars	Motor Cycles	Agricultural Tractors	Others	Total
1971	6,795	4,988	903	665	23,771	6,161	...	1,227	44,510
1972	6,617	5,320	996	709	24,054	6,235	...	1,331	45,262
1973	5,978	4,836	915	645	21,732	5,654	...	1,220	40,980
1974	5,535	4,542	902	611	20,025	5,381	...	1,260	38,256
1975	7,210	5,087	971	593	18,994	5,132	...	1,365	39,352
1976	6,185	4,393	846	514	16,523	5,399	...	1,298	35,158
1977	5,755	4,475	777	614	15,734	4,562	...	1,765	33,682
1978	5,812	5,101	839	779	15,757	4,754	...	2,252	35,294
1979	3,216	3,336	553	533	11,279	4,459	...	1,914	25,290
1980	3,519	3,672	608	605	11,644	4,726	...	2,157	26,931
1981	3,507	3,689	875	620	10,656	4,217	...	2,174	25,738
1982	3,529	3,426	593	699	9,821	3,926	...	2,080	24,074
1983	3,364	3,749	626	1,225	10,061	4,308	...	2,600	25,933
1984	3,232	4,169	609	1,670	10,430	4,420	...	2,624	27,154
1985	3,093	4,521	552	1,732	10,825	4,403	...	2,606	27,732
1986	3,041	5,153	548	1,875	11,616	4,303	...	2,858	29,394
1987	3,235	5,933	553	1,980	12,342	4,187	...	3,077	31,307
1988	3,360	6,616	578	2,078	12,739	4,157	...	3,385	32,913
1989	3,700	7,410	564	2,384	12,964	4,240	...	3,676	34,938
1990	3,649	7,967	524	2,762	12,284	4,620	...	3,686	35,492
1991	7,224	13,000	342	4,680	17,804	5,226	988	838	50,102
1992	7,397	13,791	382	5,283	18,998	6,213	1,222	981	54,267
1993	7,554	15,035	401	6,489	20,464	7,646	1,331	1,080	60,000
1994	7,957	17,776	464	8,809	24,208	12,142	1,541	1,150	74,047
1995	8,531	22,039	591	11,158	28,941	21,988	1,785	1,179	96,212
1996	9,187	27,365	617	13,261	35,361	36,994	2,043	1,386	126,214
1997	9,850	33,120	625	13,400	42,000	48,000	2,100	1,400	150,495
1998	11,451	37,199	686	15,143	46,930	61,044	2,287	1,424	176,164
1999	12,801	41,365	770	15,272	48,392	63,769	2,427	1,448	186,244
2000	13,240	42,443	800	15,523	49,016	64,305	2,334	1,444	189,105
2001	14,441	45,161	845	17,148	53,105	66,984	2,317	1,520	201,521
2002	15,719	45,472	836	18,006	54,173	71,229	2,291	1,552	209,278
2003	16,122	48,528	846	19,726	56,837	80,088	2,421	1,623	226,191
2004	17,530	52,685	878	22,565	59,786	89,212	2,574	1,815	247,045

Source: Ministry of Works, Housing & Communication.