



The Economic Brief



A Periodical Brief Issue of Gen. Adm. For Research and Statistics – Bank of Sudan

Issue No: 1/2011

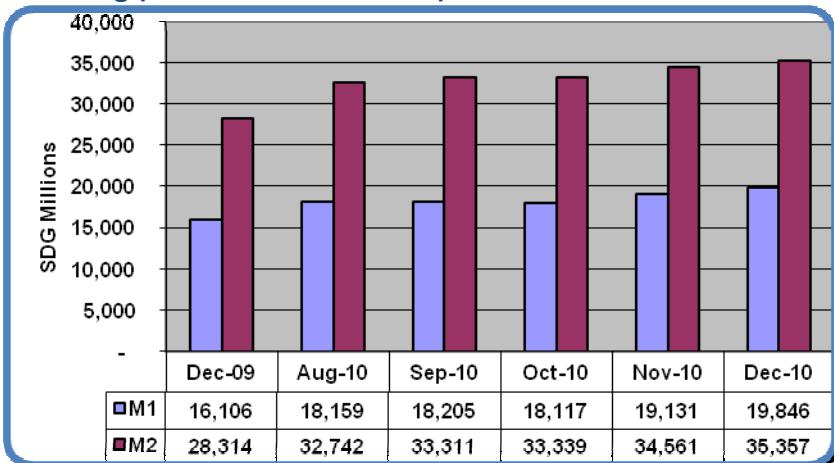
Reporting period: 1 -15/01/2011

(1) Monetary Indicators

| Period Indicator | | Dec. 2009 | Oct. 2010 | Nov. 2010 | Dec.* 2010 |
|--------------------------------------|--|--------------|--------------|--------------|---------------|
| Broad Money | | 28,314 | 33,339 | 34,561 | 35,357 |
| Currency with the public | | 8,066 | 8,558 | 9,314 | 10,068 |
| Demand deposits | | 8,040 | 9,559 | 9,817 | 9,778 |
| Quasi money | | 12,208 | 15,222 | 15,430 | 15,511 |
| Total banks assets (liabilities) | | 36,667 | 42,638 | 42,524 | 43,006 |
| Total banks finance | | 18,164 | 21,087 | 20,939 | 21,127 |
| Total banks deposits | | 21,340 | 25,774 | 26,159 | 26,379 |
| Demand deposits/ broad money | | 28% | 29% | 28% | 28% |
| Currency with public/ broad money | | 29% | 26% | 27% | 28% |
| Quasi money/ broad money | | 43% | 45% | 45% | 44% |
| Total banks finance / deposits | | 85% | 82% | 80% | 80% |

*Estimated Figures

(2) Liquidity Position during (Dec. 2009 – Dec. 2010)



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(3) Banks Deposits*

| Particular | 31/12/2010** | | (SDG million) 15/01/2011** | |
|----------------------|-----------------|----------------|----------------------------|----------------|
| | Local | Foreign | Local | Foreign |
| Demand | 9,733.3 | 1,970.1 | 9,917.4 | 2,025.1 |
| Saving | 1,903.8 | 31.5 | 1,911.8 | 26.9 |
| Investment | 8,628.8 | 2,237.7 | 8,908.3 | 2,157.2 |
| Margins on LCs & LGs | 275.6 | 1,398.7 | 297.5 | 1,395.8 |
| Others | 199.7 | 0.9 | 194.3 | 0.8 |
| Total | 20,741.2 | 5,638.2 | 21,229.3 | 5,605.8 |
| | 26,379.4 | | 26,835.1 | |

*Deposits of residents & non residents

** Estimated Data

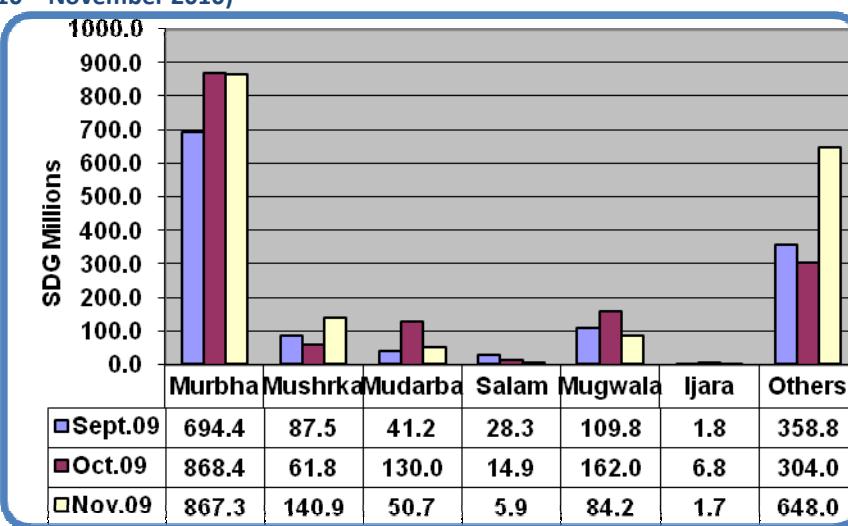
(4) Banks Finance during (1-15/01/2011)

(A) Murabaha weighted average profit margins amounted to 9.0 % and Musharaka weighted average share 33.1%.

(B) Murabaha profit margins ranged between 7% (Qatar Bank) and 15% at (Bank of Khartoum, Export Dev., Saudi Sudanese, Sudanese French, Tadamon Islamic and Sudanese Egyptian Bank)

(C) Musharaka shares ranged between 10% (Export Dev. Bank, Al Shamal Islamic, and Estate Bank) and 80% (Animal Resources Bank).

(D) Flow of Commercial banks Finance by Modes of Finance during (September 2010 – November 2010)*



(E) Flow and stock of banks Finance (local-currency) by sectors during (November 2010)

(SDG millions)

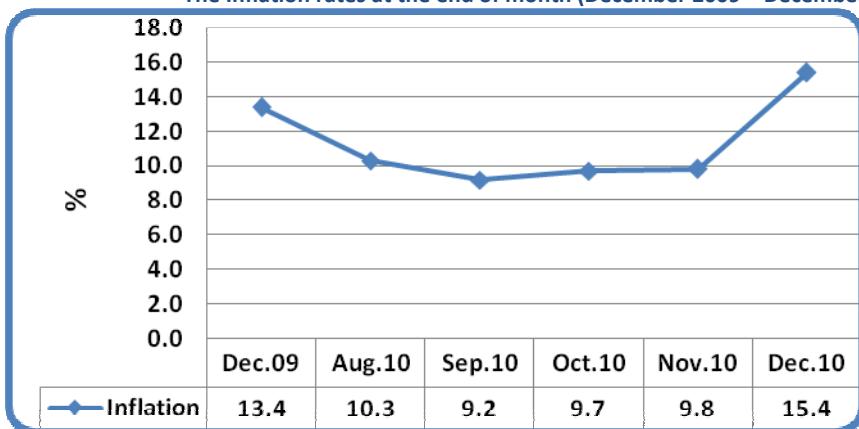
| Sectors | Flow* | Percentage % | Stock | Percentage % |
|-----------------------|----------------|--------------|-----------------|--------------|
| Agriculture | 148.1 | 8.2 | 2,562.3 | 14.7 |
| Industry | 298.1 | 16.6 | 1,486.5 | 8.6 |
| Exports | 40.0 | 2.2 | 442.1 | 2.5 |
| Local Trade | 236.3 | 13.1 | 2,780.8 | 16.0 |
| Transport and Storage | 73.0 | 4.1 | 957.9 | 5.5 |
| Imports | 160.4 | 8.9 | 1,179.0 | 6.8 |
| Construction | 43.1 | 2.4 | 1,585.7 | 9.1 |
| Energy and Mining | 5.3 | 0.3 | 87.3 | 0.5 |
| Others | 794.4 | 44.2 | 6,304.2 | 36.3 |
| Total | 1,798.7 | 100.0 | 17,385.8 | 100.0 |

*Primary figures

(5) Inflation Rate

Inflation rate increase from 9.8% at the end of November to 15.4 % at the end of December 2010.

The Inflation rates at the end of month (December 2009 – December 2010)



(6) Exchange Rate

The exchange rate of EUR against the Sudanese pound at the Central Bank Of Sudan, Commercial Banks and Exchange Bureaus as at 15 January 2011.

(A) Central Bank of Sudan

| | | (SDG) |
|--------------|--|--------|
| Buying Rate | | 3.3462 |
| Selling Rate | | 3.3630 |

(B) Commercial Banks and Exchange Bureaus

| Rate Particulars | Buying Rate | | Selling Rate | | Most Prevalent Rate | |
|---------------------|-------------|--------|--------------|--------|---------------------|---------|
| | Higher | Lower | Higher | Lower | Buying | Selling |
| Commercial Banks | 3.5948 | 3.2942 | 3.6091 | 3.3070 | 3.5948 | 3.6091 |
| Exchange Bureaus | 3.3500 | 3.2500 | 3.3800 | 3.2630 | 3.2949 | 3.3080 |

* Workers, Omdurman & Elneilin Bank registered the highest buying and selling rates, Whereas Sudanese Islamic Bank registered the lowest buying and selling rates.

* Yamama Exchange Co. registered the highest buying rate and African Exchange Co. registered the highest selling rate, whereas Alride Exchange Co. registered the lowest selling and buying rates.

(7) The Foreign Exchange Dealing Room

| Period | Purchases | Sales |
|-------------------------|-----------|-------|
| 01/01/2011 - 15/01/2011 | 1.23 | 42.58 |

(EUR Millions)

*The largest seller during the period is Omdurman National Bank (0.55 millions EUR, 44.5% of the total purchases).

*The second largest seller during the period is Industrial Dev. Bank (0.54 millions EUR, 44.0% of the total purchases).

*The largest buyer during the period is Byblos Bank (4.94 millions EUR, 11.6% of the total sales).

*The second largest buyer during the period is Khartoum Bank (3.80 millions EUR, 8.9% of the total sales).

Summary of the Foreign Exchange Dealing Room 2010/2011

| Period Particulars | 1/1-15/01/2010 | 1/1-15/01/2011 | Change | Percentage % |
|-----------------------|----------------|----------------|--------|--------------|
| Purchases | 5.23 | 1.23 | (4.00) | (76.48) |
| Sales | 42.18 | 42.58 | 0.40 | 0.95 |
| Net position | 36.95 | 41.35 | 4.40 | 11.91 |

(8) Balance of Payments during the year 2010

(USD Millions)

| Particular | Period | 2009 | Q1 2010* | Q2 2010* | Q3 2010* | Q4 2010* |
|---------------------------------------|--------|------------------|----------------|------------------|------------------|----------------|
| A. Current A/C (1+2) | | (6,028.6) | (965.0) | (1,046.3) | (1,126.0) | (474.8) |
| 1. Trade Balance (Fob) | | (376.4) | 780.4 | 651.4 | 497.5 | 393.3 |
| 2. Service, Income & Transfers A/C | | (5,652.2) | (1,745.4) | (1,697.7) | (1,623.5) | (868.1) |
| B. Capital & Financial A/C | | 5,235.0 | 341.5 | 360.2 | 21.8 | 848.4 |
| C. Errors and Omissions | | 291.6 | (798.9) | (718.5) | (782.0) | 313.3 |
| D. Overall Balance | | (502.0) | 175.4 | 32.4 | (322.3) | 60.3 |

* Provisional Data

(9) Stock Exchange Dealing Position

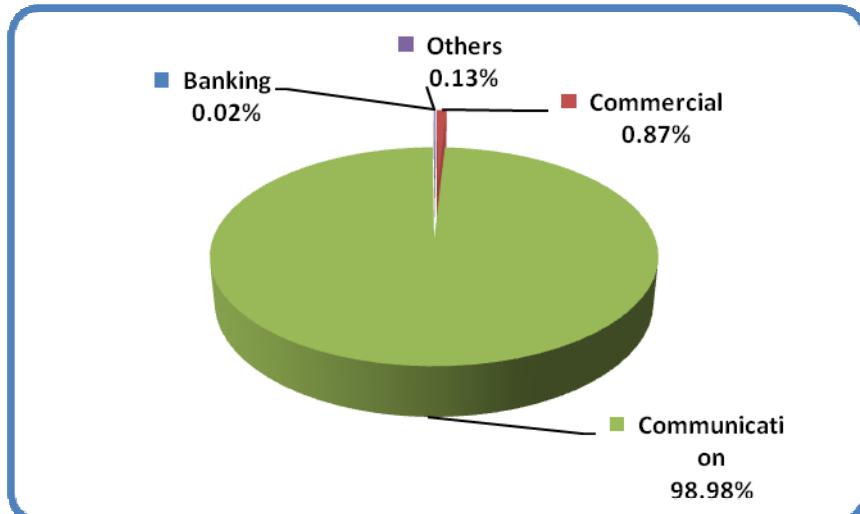
Khartoum Stock Exchange Market Transactions During (01-15/01/2011)

Transactions took place on shares of 7 companies in the Banking, Commercial, Communication and Other Sectors, in addition to shares of 3 Investment funds Sukuk.

(1) Trading in Shares

| Sector | No. Of Shares | Dealing value (000s SDG) | Percent % | No. of contracts |
|---------------|------------------|--------------------------|---------------|------------------|
| Banking | 122 | 0.41 | 0.02 | 2 |
| Commercial | 2,294 | 22.15 | 0.87 | 4 |
| Communication | 1,349,413 | 2,533.62 | 98.98 | 5 |
| Others | 18,559 | 3.35 | 0.13 | 4 |
| TOTAL | 1,370,388 | 2,559.53 | 100.00 | 15 |

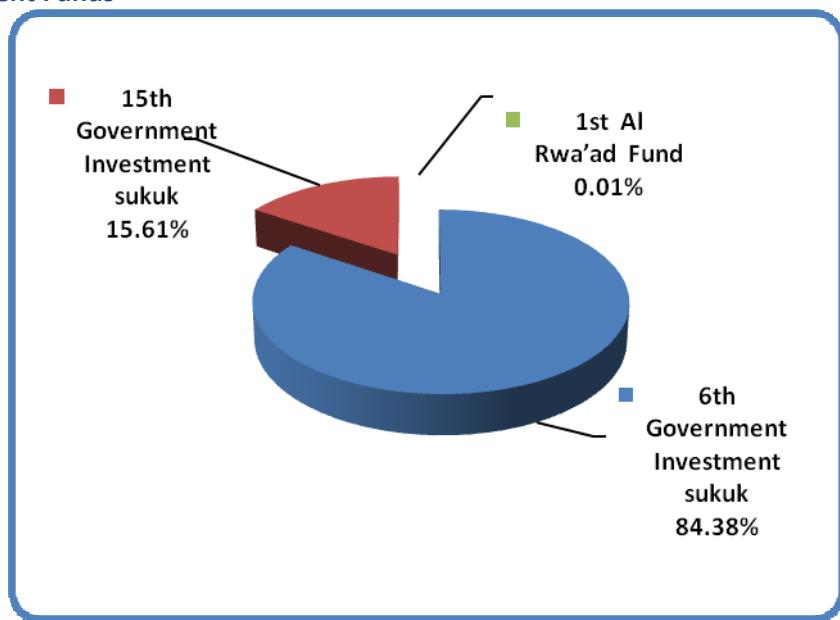
Trading in Shares



(2) Trading in Investment Funds (Sukuk)

| Certificates | No. of Shares | Dealing Value (000s SDG) | Percentage (%) | No. of contracts |
|--|----------------|--------------------------|----------------|------------------|
| 6 th Government Investment sukuk | 151,645 | 15,308.56 | 84.38 | 1 |
| 15 th Government Investment sukuk | 28,029 | 2,830.93 | 15.61 | 1 |
| 1 st Al Rwa'ad Fund | 200 | 2.00 | 0.01 | 1 |
| Total | 179,874 | 18,141.49 | 100.00 | 3 |

Trading in Investment Funds

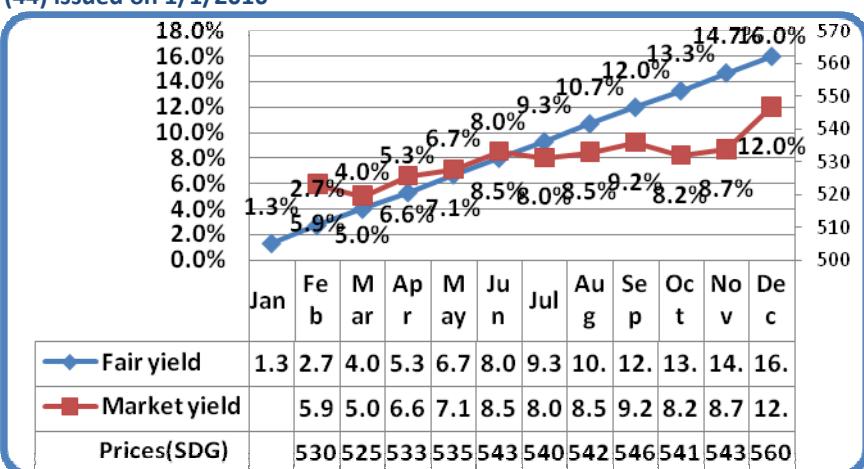


(3) Yield curves for GMCs, GICs & Bank deposits

The yield curve shows the yield or return of the investments instruments during its lifetime up to their maturity dates. It is prepared in accordance with financial market indicators and the expected yields of the investment instruments.

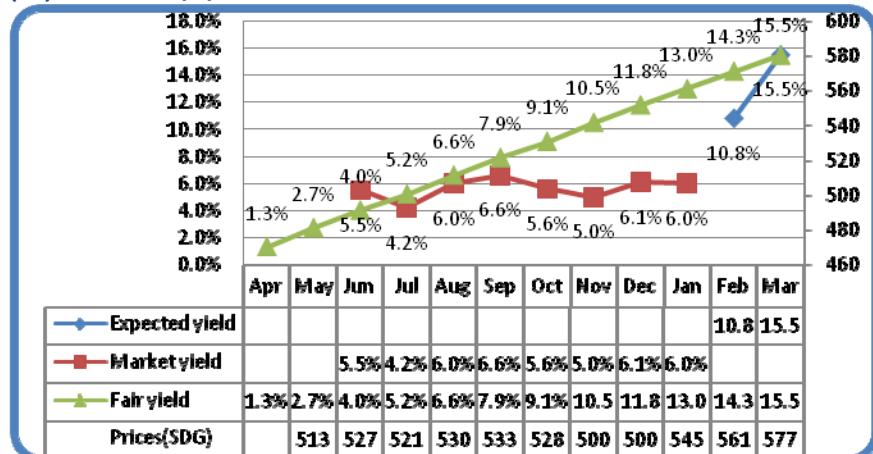
1/ Yield Curves for GMCs:

Yield curve for GMC (44) issued on 1/1/2010



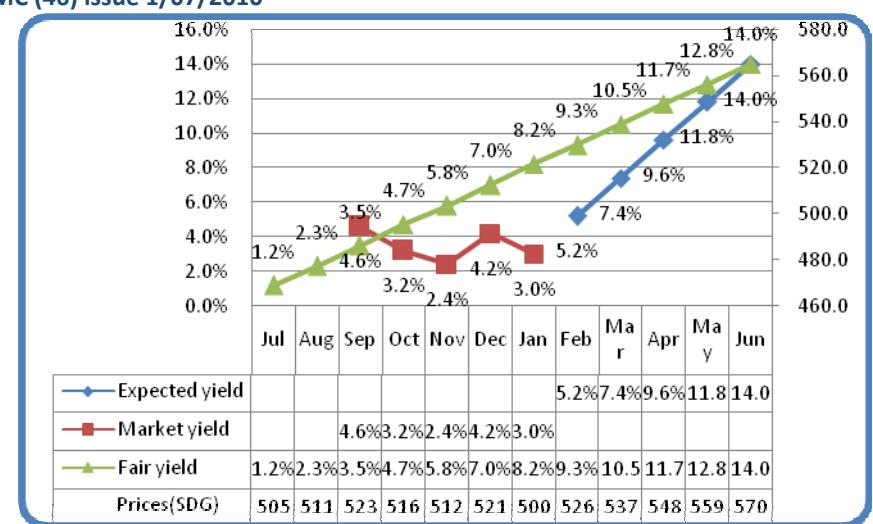
In December the Market Price Yield reached 10.5% increase of 2% than in November, but still lower than the Fair Price Yield for the certificate by 5%, due to the general market trend and the closeness of the maturity date. January is the last month for circulation of the certificate, where its market value reached 12%

Yield curve for GMC (45) issued on 1/4/2010



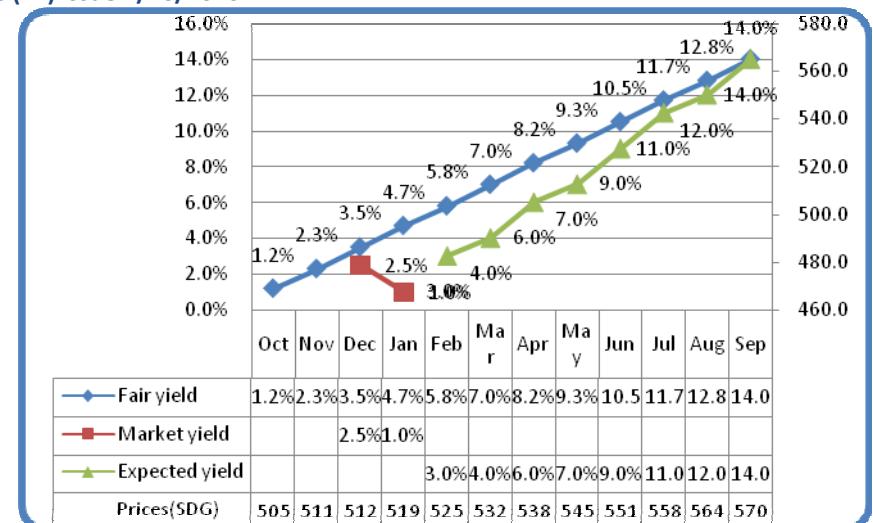
In December, the market yield reached 6.1% with increase of 1% from November, but a decrease of 5% from its fair yield. The certificate conserved its market yield for January at 6% reflecting a stagnation period in the financial market.

Yield Curve for GMC (46) issue 1/07/2010



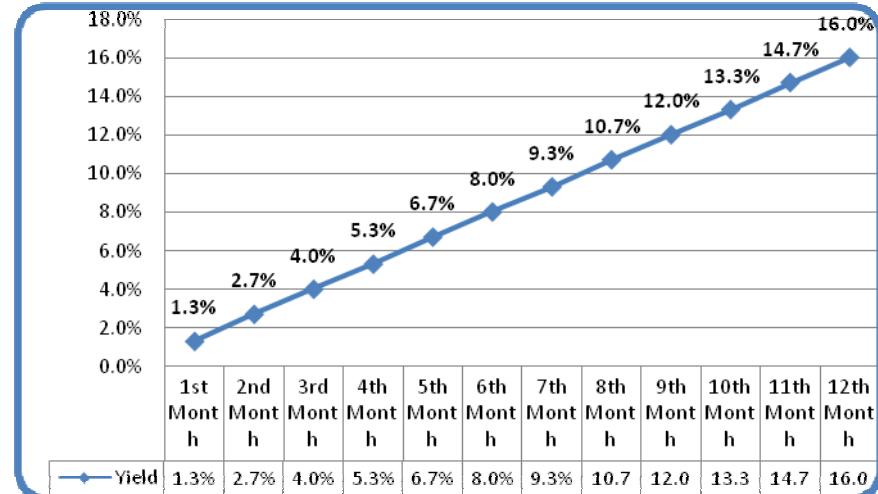
December witnessed an increase in the market yield to 4.2%, which is more than that in November by 2% and less than the fair yield by 3%. In January market yield decreased to 3% due to the decrease in the whole market.

Yield Curve for GMC (47) issue 1/10/2010



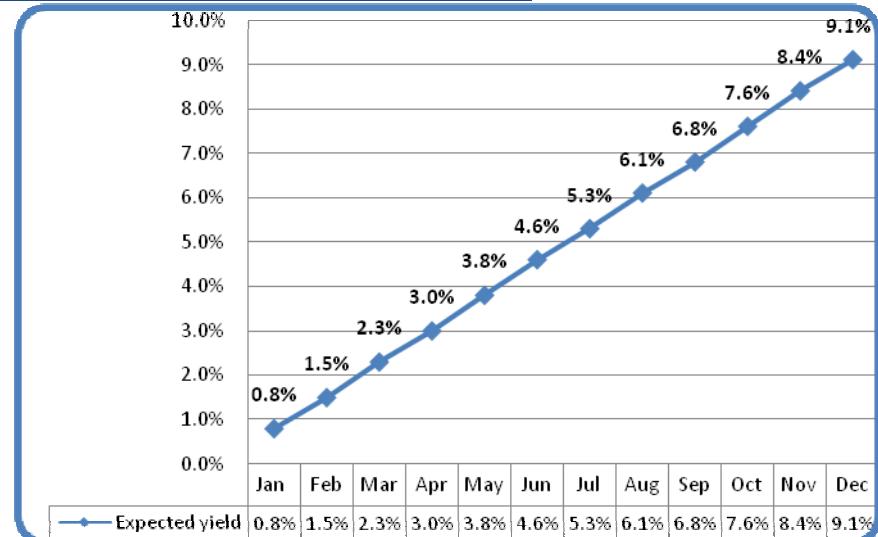
December is the first month of trading in the certificate where the market yield reached 2.5% with a decrease of 1% from its fair value, due to its release in time with SHAMA certificates. In January market yield decreased to 1% , which is less than its fair yield by about 4%.

2\ Yield curve on GICs (Government Investment Certificates)-2010



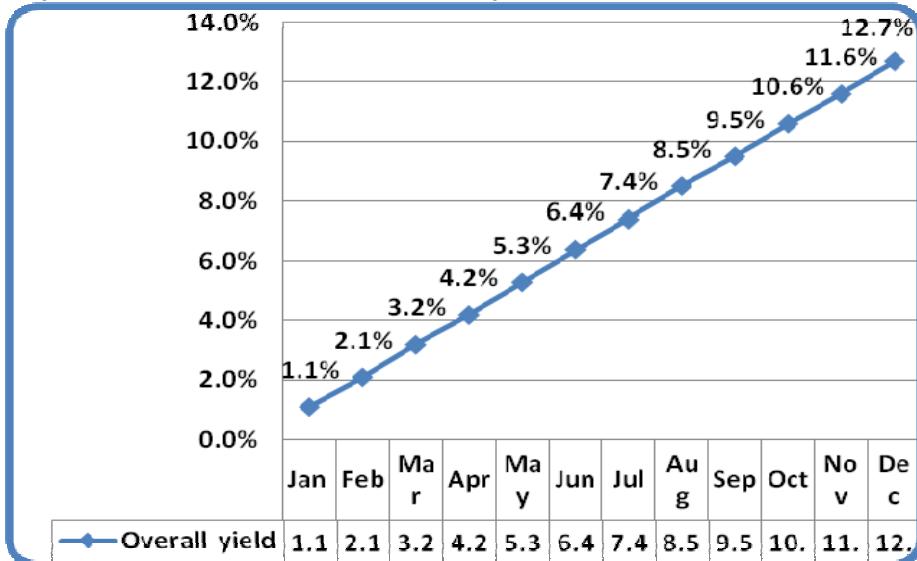
The yield of the certificate is 16% per annum, because it is based on Ijara mode.

3/ Expected yield curve for investment deposits in banks 2010



The average expected yield for investment deposits for the year 2010 is about 9.1% according to banks' estimates .

4/ Overall expected yield curve for GMCs, GICs & Bank deposits



The expected weighted average yield of the investment instruments by the end of the year 2010 is 12.7%.