



The Economic Brief



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

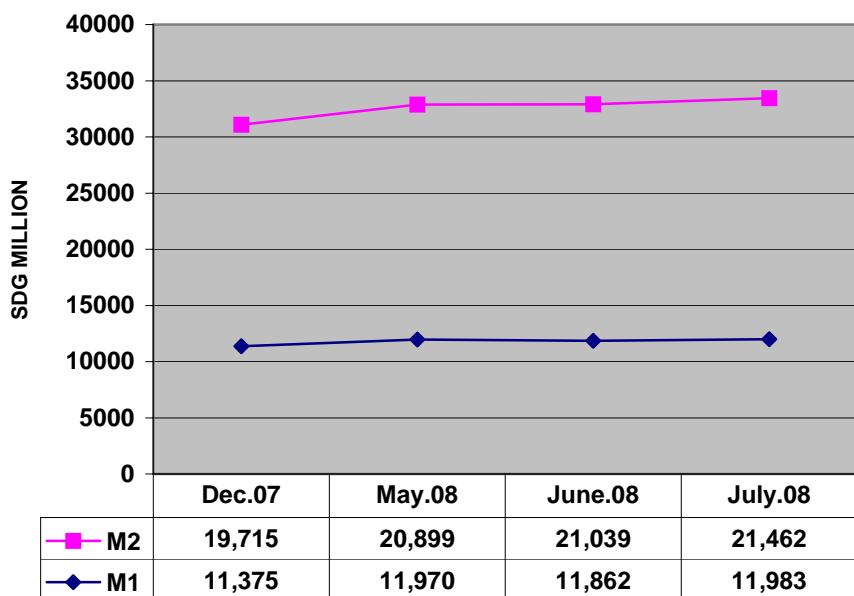
Issue No: 8/2008

Reporting period: 1 -31/8/2008

(1) Monetary Indicators:

| Period Indicator | (SDG Million) | | | |
|--|---------------|---------------|---------------|---------------|
| | Dec. 2007 | May 2008 | Jun. 2008 | Jul. 2008 |
| Broad Money | 19,715 | 20,899 | 21,039 | 21,462 |
| Currency with public | 5,640 | 5,638 | 5,443 | 5,584 |
| Demand deposits | 5,735 | 6,332 | 6,419 | 6,399 |
| Quasi money | 8,340 | 8,929 | 9,177 | 9,479 |
| Total banks assets (liabilities) | 26,197 | 27,733 | 28,402 | 28,335 |
| Total banks finance | 12,946 | 13,863 | 13,397 | 13,588 |
| Total banks deposits | 14,404 | 15,744 | 16,051 | 16,424 |
| Demand deposits/ broad money | 29% | 30% | 30% | 30% |
| Currency with public/ broad money | 29% | 27% | 26% | 26% |
| Quasi money/ broad money | 42% | 43% | 44% | 44% |
| Total banks finance / deposits | 90% | 88% | 84% | 83% |

(2) Liquidity Position During (December 2007 – July 2008)



(3) Banks Deposits*

(SDG million)

| Particulars | 31/07/2008 | | 31/08/2008 | |
|-----------------------|-----------------|----------------|-----------------|----------------|
| | Local | Foreign | Local | Foreign |
| Current | 6,122.4 | 1,297.7 | 6,230.8 | 1,230.4 |
| Saving | 1,139.2 | 11.8 | 1,134.7 | 15.6 |
| Investment | 5,265.9 | 1,098.8 | 5,239.9 | 1,192.2 |
| Margin on L/Cs - L/Gs | 98.8 | 691.4 | 83.0 | 645.3 |
| Others | 89.9 | 4.1 | 95.5 | 150.6 |
| Total | 12,716.2 | 3,103.8 | 12,783.9 | 3,234.1 |
| | 15,820.0 | | 16,018.0 | |

* Primary data. Include resident & non resident deposits.

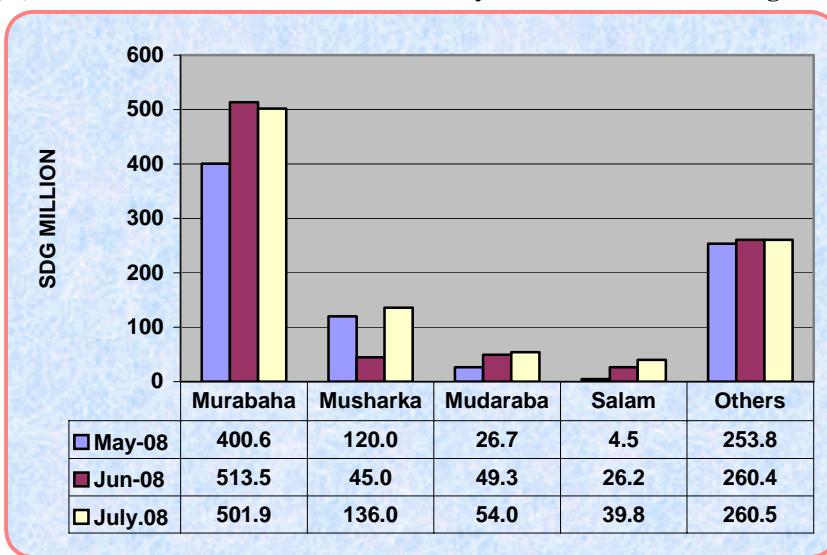
(4) Banks Finance during (1-31/08/2008)

(A) Murabaha weighted average profit margin 11.7% and Musharaka weighted average share 28.9%.

(B) Murabaha profit margins ranged between 8.0% (Byblos Bank) & 18.0% (Export Dev. Bank).

(C) Musharaka shares ranged between 10.0% (Al-shamal & Exports Dev. bank) & 75% (Baraka Bank).

(D) Flow of Commercial Banks Finance by Modes of Finance during



(May 2008– July 2008)

□

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

(July 2008)

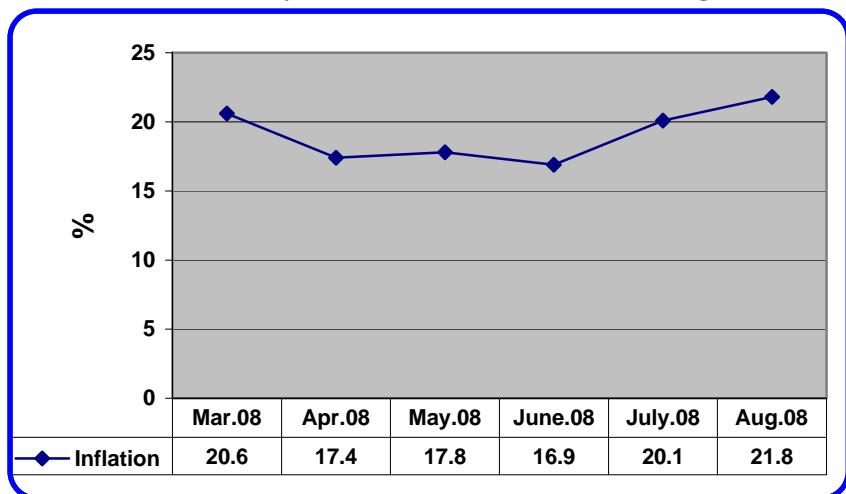
(SDG million)

| Sectors | Flow | Percentage % | Stock | Percentage % |
|------------------------------|--------------|--------------|-----------------|--------------|
| Agriculture | 94.1 | 9.5 | 1,143.2 | 9.9 |
| Industry | 148.7 | 15.0 | 1,225.5 | 10.6 |
| Local Trade | 145.4 | 14.6 | 2,139.7 | 18.4 |
| Exports | 51.3 | 5.2 | 383.1 | 3.3 |
| Imports | 95.2 | 9.6 | 1,469.3 | 12.7 |
| Transport and Storage | 62.1 | 6.3 | 1,087.2 | 9.4 |
| Others | 395.4 | 39.8 | 4,137.5 | 35.7 |
| Total | 992.2 | 100.0 | 11,585.5 | 100.0 |

(5) Inflation Rate :

Inflation rate increased from 20.1% by the end of July 2008 to 26.2% by the end of August 2008.

The Inflation rates by the end of month (March.2008–August.2008)



(6) Exchange Rate

The exchange rate of the EUR against the Sudanese Pound in the Central Bank of Sudan, Commercial Banks and Exchange Bureaus as at 31 August 2008.

(A) Central Bank of Sudan

(SDG)

| | |
|--------------|--------|
| Buying Rate | 3.2355 |
| Selling Rate | 3.2517 |

(B) Commercial Banks and Exchange Bureaus

(SDG)

| Particulars | Buying Rate | | Selling Rate | | Most Prevalent Rate | |
|------------------|-------------|--------|--------------|--------|---------------------|---------|
| | Higher | Lower | Higher | Lower | Buying | Selling |
| Commercial Banks | 3.2567 | 3.0228 | 3.2793 | 3.0502 | 3.2300 | 3.2592 |
| Exchange Bureaus | 3.2647 | 3.000 | 3.5170 | 3.0120 | 3.2000 | 3.2120 |

- Export Development Bank registered the highest selling rates and Al Saudi Sudanese Bank registered the highest buying rate, whereas Al Tadamon Islamic Bank registered the lowest buying and selling rates.
- Lari Abu Dhabi Exchange Bureaus registered the highest selling and buying rates, whereas Juba Trust Exchange Bureaus registered the lowest selling and buying rates.

(7) The Foreign Exchange Dealing Room

(EUR Million)

| Period | Purchases | Sales |
|-------------------------|-----------|--------|
| 01/08/2008 - 31/08/2008 | 8.29 | 315.92 |

*The largest seller during the period was Almushreq (EUR 4.4 million, 53% of the total purchases). □

*The second largest seller during the period was the Blue Nile (EUR 1.0 million, 12% of the total purchases). □

*The largest buyer during the period was Islamic Cooperative Development Bank (EUR 36.4 million, 12% of the total sales).

*The second largest buyer during the period was Omdurman National Bank (EUR 26.06 million, 8% of the total sales).

Summary of Foreign Exchange Dealing Room 2007/2008

(EUR Million)

| Period | 1/1-31/8/2007 | 1/1-31/8/2008 | Change | Percentage % |
|----------------|---------------|---------------|---------|--------------|
| Purchases □ | 489.6 | 71.6 | (418.0) | (85) % |
| Sales □ | 2,705.2 | 2,302.4 | (402.8) | (15) % |
| Net position □ | 2,215.6 | 2,380.8 | 15.2 | 1% □ |

(8) Balance of Payments during the Second Quarter of 2008

(US\$ Million)

| Particular | Period | Q3 2007 | Q4 2007 | Q1♦ 2008 | Q2♦ 2008 |
|---|--------|-----------------|-----------------|-----------------|-----------------|
| A. Current A/C(1+2) | | (295.49) | (670.95) | 440.32 | 483.53 |
| 1. Trade Balance (Fob) | | 670.29 | 623.11 | 1,445.69 | 1,720.60 |
| 2. Service, Income and Transfers Account | | (965.78) | (1,294.06) | (1,005.37) | (1,237.07) |
| B. Financial A/C | | 701.26 | 478.95 | 114.11 | 150.51 |
| C. Errors and Omissions | | (292.94) | 474.75 | (641.69) | 367.51 |
| D. Overall Balance | | 112.83 | 282.76 | (87.26) | 1,001.55 |

♦ Provisional data

(9) Stock Dealing Position

(A) Government Musharaka Certificates (GMCs) During (1-31/12/2007)

| Particulars | No. of Certificates | Value (SDG Thousand) |
|---|---------------------|----------------------|
| Certificates Position at beginning of period | 6,205,093.00 | 3,102,546.50 |
| Issued certificates | 2,245,856.00 | 1,122,928.00 |
| Liquidated certificates | - | - |
| Position as at end of period | 8,450,949.00 | 4,225,474.50 |

500 SDG per one certificate

Source: Sudan Financial Services Company

(B) Central Bank Ijara Certificates (CICs) During (1-31/12/2007)

| Particulars | No. of Certificates | Value (SDG Thousand) |
|---|---------------------|----------------------|
| Certificates Position at beginning of period | 228,800 | 228,800 |
| Certificates Sold during the period (+) | 50,000 | 50,000 |
| Certificates purchased during the period (-) | 114,000 | 114,000 |
| Position as at end of period | 164,800 | 164,800 |

Source: Sudan Financial Services Company

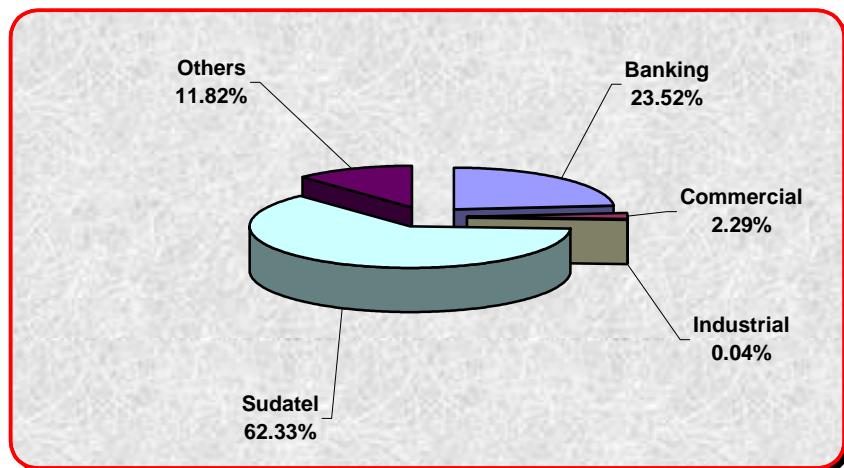
(c) Khartoum Stock Exchange Market Transactions During (1-31/08/ 2008)

Transactions took place on shares of 23 companies in the banking, commercial, Industrial, Sudatel and other sectors, in addition to shares of 13 Investment funds.

(1) Trading in Shares

| Sector | No. Of Shares | Dealing value (SDG Thousands) | Percentage % | No. Of contracts |
|-------------------|-------------------|-------------------------------|--------------|------------------|
| Banking | 2,699,671 | 8,604.80 | 23.52 | 101 |
| Commercial | 53,304 | 838.10 | 2.29 | 15 |
| Industrial | 17,104 | 13.51 | 0.04 | 14 |
| Sudatel | 6,325,008 | 22,805.79 | 62.33 | 159 |
| Others | 1,645,332 | 4,326.83 | 11.82 | 23 |
| Total | 10,740,419 | 36,589.03 | 100.0 | 312 |

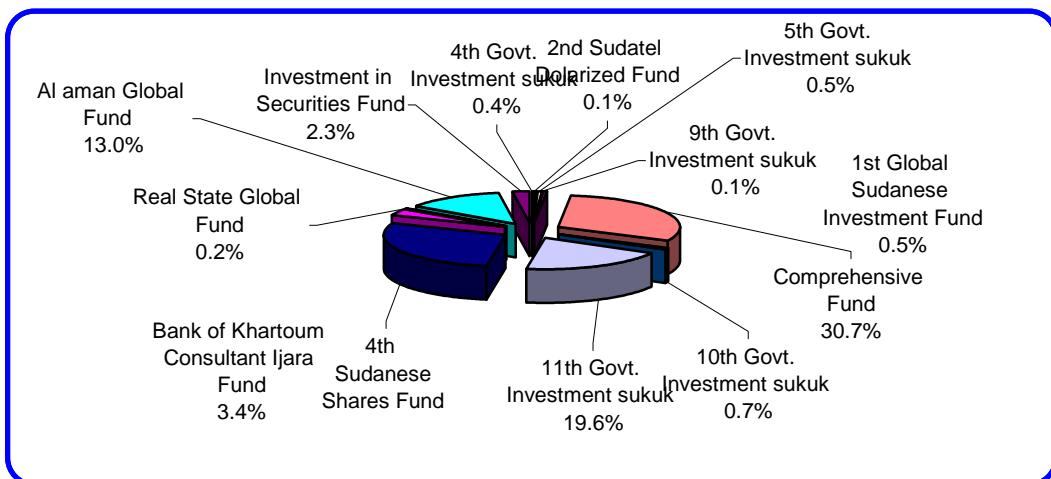
Trading in Shares



(2) Trading in Investment Funds (Sukuk)

| Certificates | No. of Shares | Dealing Value (SDG Thousands) | Percentage % | No. of contracts |
|---|----------------|-------------------------------|--------------|------------------|
| 4 th Govt. Investment sukuk | 139 | 13.9 | 0.4 | 2 |
| 2 nd Sudatel Dolarized Fund | 236 | 5.2 | 0.1 | 6 |
| 5 th Govt. Investment sukuk | 174 | 17.4 | 0.5 | 3 |
| 9 th Govt. Investment sukuk | 20 | 2.0 | 0.1 | 1 |
| 1 st Global Sudanese Investment Fund | 1,567 | 15.8 | 0.5 | 4 |
| Comprehensive Fund | 109,000 | 1,090.0 | 30.7 | 3 |
| 10 th Govt. Investment sukuk | 255 | 25.5 | 0.7 | 2 |
| 11 th Govt. Investment sukuk | 6,900 | 694.8 | 19.6 | 1 |
| 4 th Sudanese Shares Fund | 101,233 | 1,013.3 | 28.5 | 4 |
| Bank of Khartoum Consultant Ijara Fund | 12,150 | 121.6 | 3.4 | 2 |
| Real State Global Fund | 63 | 6.4 | 0.2 | 2 |
| Al aman Global Fund | 46,002 | 462.3 | 13.0 | 4 |
| Investment in Securities Fund | 8000 | 80.5 | 2.3 | 3 |
| Total | 285,739 | 3,548.7 | 100.0 | 37 |

Trading in Investment Funds



(10) Central Bank of Sudan circulars:

The General Admin. of policies at policies & research and statistics has issued the following circulars:

Within the framework of the continues reviewing of the regulations that organize the foreign exchange operations ,the circular No. (6 / 2008) dated 19/08/2008 was issued, which included some modifications concerning the foreign special account restricted by local currency,In addition to the export and import regulations.

Moreover ,The department issued the circular dated 19/8/2008 permitting exchange bureau companies to deal with a foreign correspondents directly without the involvement of the CBOS ,they have only to send a copy of the confirming document to the departments of policies , research and statistics