I. Macroeconomic Highlights

Economic Growth
- Ethiopia’s GDP increased to $80 Billion and per capita GDP to $863 in 2016/17 compared to $72 Billion and $794 last year, respectively.
- Real GDP growth was 10.9% in 2016/17 (4.4% contributed by industry, 4.0% by services and 2.5% by agriculture) (Fig:1)
- IMF estimates the growth for 2016/17 to be 9.0%.
- The incidence of poverty declined to 23.5% in 2015/16 compared to 29.6% in 2010/11.

Inflation
- Year-on-year inflation reached 13.7% in April 2018 from 8.6% in April 2017; similarly food inflation increased to 16.1% from 12.2%, and non-food inflation reached 10.8% from 4.6% in the same period. (Fig:2)

Exchange rate
- One US$ was exchanged for Birr 27.24 in April 2018.
- There was 15% devaluation of the Birr in October 2017. (Fig:3)

Interest rate
- Minimum statutory saving deposit rate is raised to 7% from 5% effective October 10 2017. Average nominal saving rate was 8% in December 2017.
- The real savings rate is negative due to high inflation rate.

External Debt
- The stock of public external debt reached $24.2 billion, in September 2017, showing 12% annual growth, 56% of the debt is central government and 44% Public Enterprises (52% of which is government guaranteed)
- External debt/GDP was 30%and annual debt service to exports ratio was 11.9% in 2016/17, (Fig:5)
- According to IMF/WB debt sustainability analysis (DSA) in 2017, Ethiopia’s risk of debt distress increased from moderate to high.

Government Finance
- Fiscal deficit was 68 billion in 2016/17, which is 3.8% of GDP
- The federal government collected Birr 47.9 billion, in revenue and grants, in the first quarter of 2017/18 (21.4 % of the plan for the year), 84% from taxes.
- Total expenditure in the first quarter of 2017/18 was Birr 67.9 billion (42.9% regional transfers, 32.8% capital and 24.3% current spending).
Financial Sector

- Money Supply reached Birr 602.3 Billion in the first quarter of 2017/18 posting 30 percent annual growth.
- Domestic credit by the banking system reached Birr 576.2 Billion (75% of which is from public banks and the balance from private banks) in the first quarter of 2017/18 registering 24 percent annual growth.
- In the First quarter of 2017/18, 32.5% of the credit went to finance mines, power and water, followed by industry (22.7%) housing and construction (13.8%) and international trade (9.5%).

Import and Export

- Export of goods was $1.3 billion in the first six months of 2017/18, this was a 9% increase compared to same period of the previous year.
- Major exports were: coffee (28%), oil seeds (16.2%), chat (9.3%), pulses (8.5%), cut flower (7.7%), and leather (5%).
- Total import of goods was $7.9 billion in the first six months of 2017/18, only marginal increase compared to 2015/16.
- Trade deficit in the first six months of 2017/18 was $6.6 Billion.

II. Social Development Indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
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<tbody>
<tr>
<td>Human Development Index (HDI)</td>
<td>0.448 (2015)</td>
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<td>Poverty headcount ratio</td>
<td>23.5% (2016)</td>
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<td>14.8% in urban and 25.6% in rural areas</td>
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<td>Gender disparity in primary and secondary education</td>
<td>0.91 and 0.93 (2016)</td>
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<tr>
<td>Child Mortality</td>
<td>67/1000 live births (2016)</td>
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<tr>
<td>Maternal Mortality</td>
<td>412/100,000 live births (2016)</td>
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<tr>
<td>Proportion of population with access to safe drinking water source</td>
<td>65% (2016)</td>
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<tr>
<td>Life Expectancy at Birth (years)</td>
<td>64.6 (2015)</td>
</tr>
<tr>
<td>Urban Unemployment</td>
<td>16.9% (2016)</td>
</tr>
<tr>
<td>Unemployment (% of total labour force modelled by ILO (WB, WDI)</td>
<td>5.2% (2014)</td>
</tr>
</tbody>
</table>

References

- NPC, National income accounting statistics (2016),
- MOFEC, Debt statistics (2017)
- NPC, Poverty Analysis (2017)
- CSA, Consumer price index various reports
- CSA, EDHS (2016), LMS (2016)