

COMMENTARY ON REMITTANCES, APRIL 2017

The Central Bank of Kenya conducts a survey on remittance inflows every month through formal channels that include commercial banks and other authorized international remittance service providers in Kenya. Remittances are an important and regular source of foreign exchange in the money market.

Remittance inflows to Kenya decreased by 3.4 percent to USD 138.6 million in April 2017 from USD 143.5 million in April 2016. On a monthly basis, remittances decreased by 6 percent from USD 147.5 million in March 2017 to USD 138.6 million in April 2017 (**Table 1**). The decline reflected lower inflows from Europe and the rest of the world during the review period (**Table 2**).

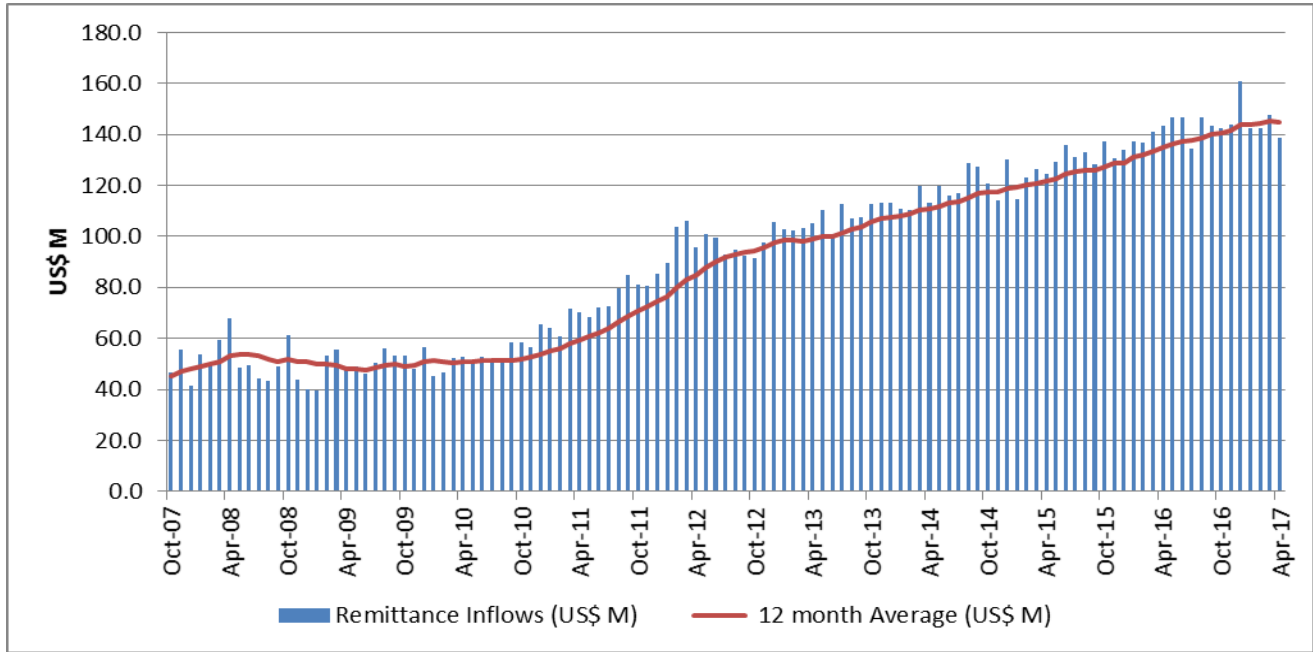
12-month cumulative inflows to April 2017 however, were 7.3 percent higher at USD 1,736 million compared to USD 1,619 million in April 2016. 12 month average inflows also sustained an upward trend to USD 144.7 million in April 2017 from USD 134.9 million over the same period in 2016 (**Chart 1**). Remittances as a share to GDP stabilized at 2.3 percent over the twelve months to April 2017.

Table 1: Monthly Remittance Inflows 2010 to 2017 (USD '000)

Month/Year	2010	2011	2012	2013	2014	2015	2016	2017
January	45,117	64,139	89,755	102,969	110,969	114,642	137,494	142,403
February	46,423	60,759	103,970	102,372	110,421	123,236	136,979	142,666
March	52,309	71,557	106,198	103,393	119,585	126,259	141,107	147,530
April	52,679	70,071	95,625	104,993	113,409	124,473	143,526	138,604
May	51,172	68,124	100,995	110,150	119,657	129,101	146,760	
June	52,541	71,888	99,488	99,809	116,064	135,963	146,658	
July	50,652	72,797	92,736	112,834	117,101	131,055	134,661	
August	51,993	79,563	94,819	107,049	128,826	132,949	146,744	
September	58,557	84,854	92,519	107,452	127,399	128,484	143,188	
October	58,503	81,311	91,627	112,919	120,907	137,146	142,555	
November	56,380	80,802	97,504	113,420	113,972	130,718	143,691	
December	65,617	85,244	105,656	113,216	130,172	134,005	160,941	
Annual Total	641,943	891,109	1,170,893	1,290,575	1,428,482	1,548,032	1,724,303	571,203

Source: CBK

Chart 1: Monthly Remittance Inflows

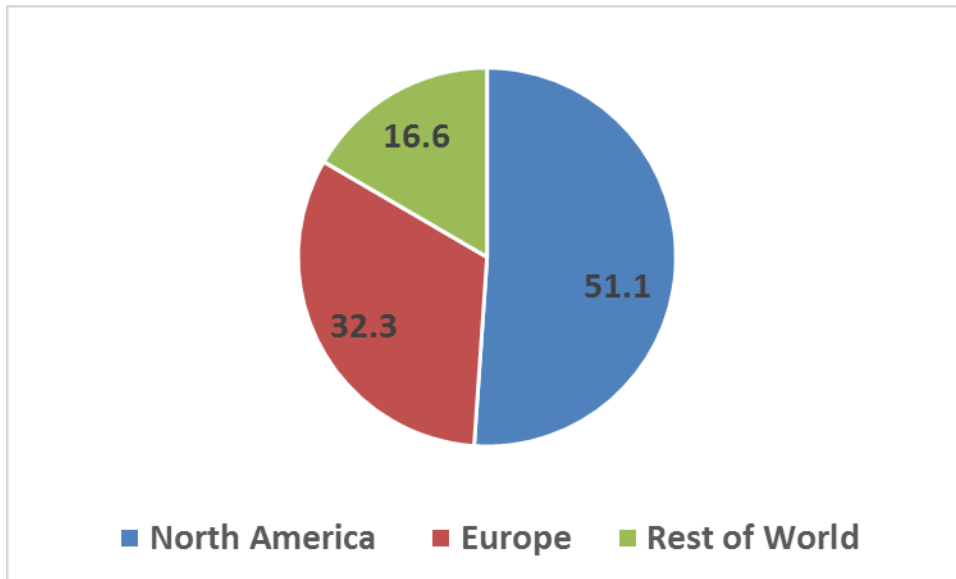


Source: CBK

Remittance Inflows by Source Market

Remittances from North America accounted for 51.1 percent of total inflows and increased by 1.2 percent to USD 70.8 million in April 2017, while inflows from Europe accounted for 32.3 percent having decreased by 8.6 percent to USD 44.8 million (Chart 2).

Chart 2: April 2017: Share of remittances by Source



Source: CBK