

Commentary on Remittances, October 2016

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.

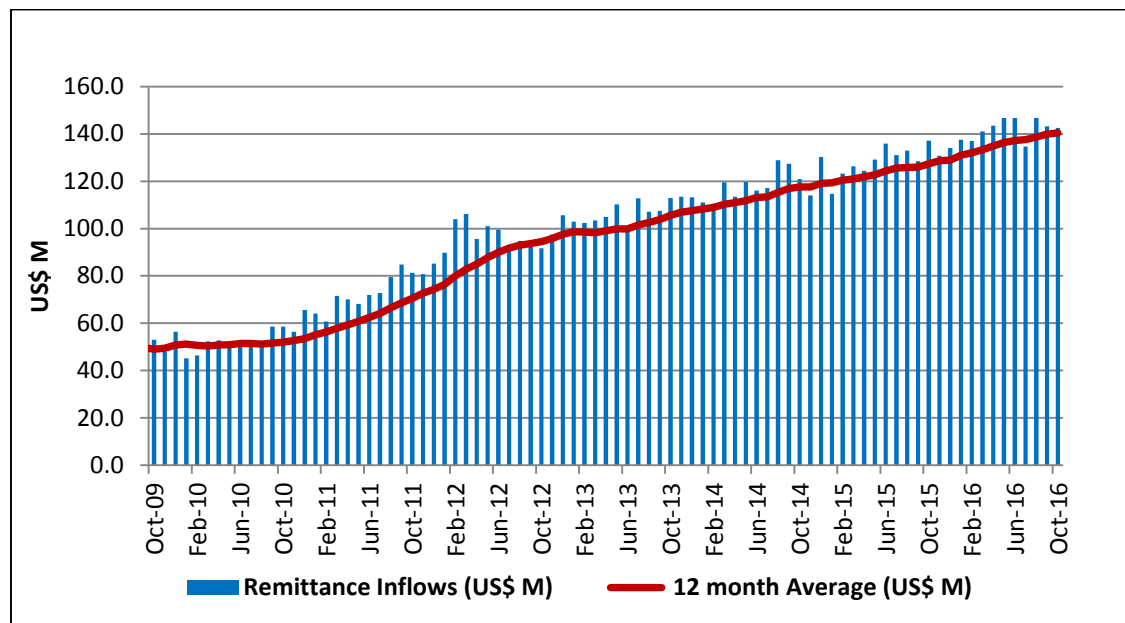
Remittance inflows to Kenya increased by 3.9 percent to USD 142.6 million in October 2016 from USD 137.1 million in October 2015, but declined by 0.4 percent when compared to September 2016 (Table 1) largely reflecting lower inflows from the rest of the world (Table 2).

The 12-month cumulative inflows to October 2016 increased by 10.3 percent to USD 1,684 million from USD 1,527 million during a similar period in 2015. The 12 month average flow also sustained an upward trend to USD 140.4 million from USD 127.3 million during the same period (Chart 1). Remittances as a share of GDP, increased to 2.5 percent over the twelve months to October 2016 from 2.4 percent in the year to October 2015.

Table 1: Monthly Remittance Inflows 2009 to 2016 (USD '000)

Month/Year	2009	2010	2011	2012	2013	2014	2015	2016
January	39,535	45,117	64,139	89,755	102,969	110,969	114,642	137,494
February	53,353	46,423	60,759	103,970	102,372	110,421	123,236	136,979
March	55,361	52,309	71,557	106,198	103,393	119,585	126,259	141,107
April	48,117	52,679	70,071	95,625	104,993	113,409	124,473	143,526
May	49,180	51,172	68,124	100,995	110,150	119,657	129,101	146,760
June	46,347	52,541	71,888	99,488	99,809	116,064	135,963	146,658
July	50,372	50,652	72,797	92,736	112,834	117,101	131,055	134,661
August	55,947	51,993	79,563	94,819	107,049	128,826	132,949	146,744
September	53,347	58,557	84,854	92,519	107,452	127,399	128,484	143,188
October	53,037	58,503	81,311	91,627	112,919	120,907	137,146	142,555
November	48,058	56,380	80,802	97,504	113,420	113,972	130,718	
December	56,329	65,617	85,244	105,656	113,216	130,172	134,005	
Annual Total	608,983	641,943	891,109	1,170,893	1,290,575	1,428,482	1,548,032	1,419,673

Chart 1: Monthly Remittance Inflows (USD M)



Remittance inflows by source market

Remittance inflows from North America accounted for 52 percent of total inflows and increased by 2.2 percent to USD 74.2 million in October 2016, while Inflows from Europe accounted for 29.5 percent of total inflows and declined marginally by 0.3 percent. Inflows from the rest of the world also declined by 7.4 percent to USD 26.3 million from USD 28.4 million (Table 2).

Table 2: Monthly Remittance Inflows by Source

USD M	North America	Europe	Rest of World
Aug-16	70.88	43.28	32.59
Sep-16	72.60	42.15	28.44
Oct-16	74.18	42.04	26.34
Percentage share of total inflows			
	North America	Europe	Rest of World
Aug-16	48.3	29.5	22.2
Sep-16	50.7	29.4	19.9
Oct-16	52.0	29.5	18.5