

## COMMENTARY ON REMITTANCES, SEPTEMBER 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.

Remittance inflows to Kenya improved by 5.8 percent in September 2017 compared to inflows recorded in August 2017 reflecting increased inflows from North America. Remittances also increased by 23.0 percent when compared to September 2016 (**Table 1**).

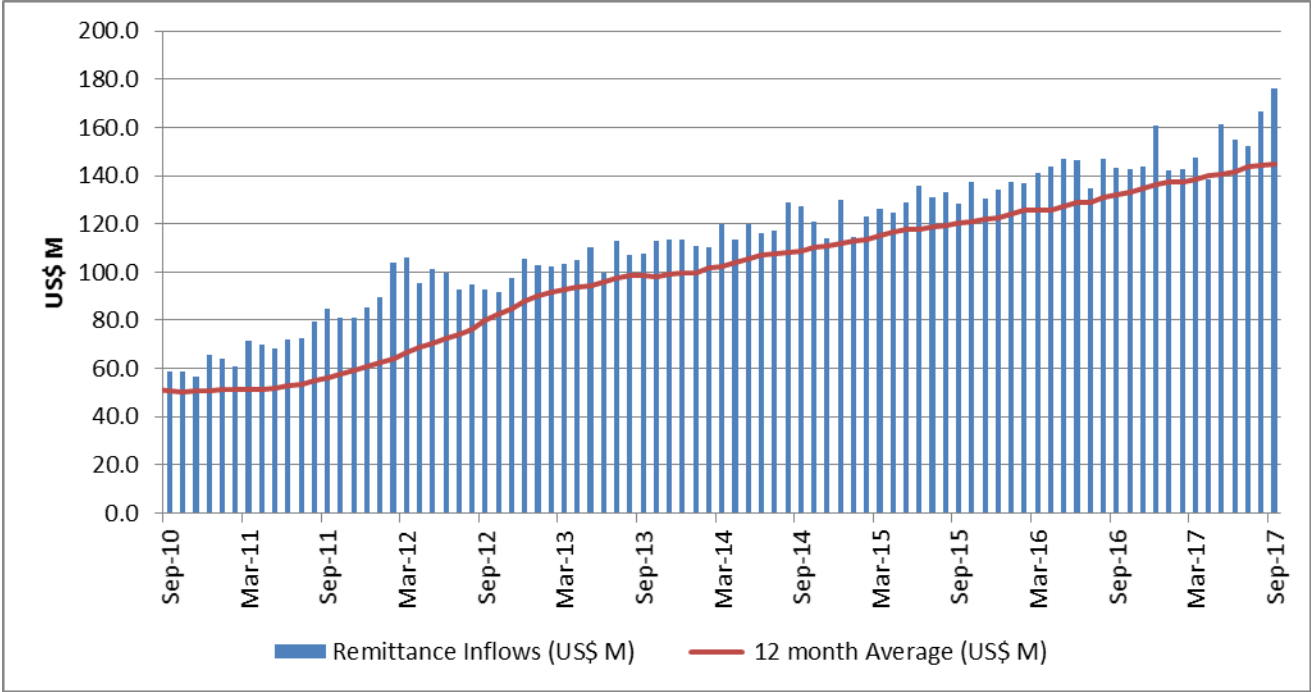
12-month cumulative inflows to September 2017 were 9.0 percent higher at USD 1,830 million compared to USD 1,679 million over the same period in 2016. 12-month average inflows to September 2017 also sustained an upward trend to USD 152.5 million from USD 139.9 million over the same period in 2016 (**Chart 1**). Remittances as a share of GDP stabilized at 2.4 percent over the twelve months to September 2017.

**Table 1: Monthly Remittance Inflows 2009 to 2017 (USD '000)**

Month/Year	2009	2010	2011	2012	2013	2014	2015	2016	2017
January	39,535	45,117	64,139	89,755	102,969	110,969	114,642	137,494	142,403
February	53,353	46,423	60,759	103,970	102,372	110,421	123,236	136,979	142,666
March	55,361	52,309	71,557	106,198	103,393	119,585	126,259	141,107	147,530
April	48,117	52,679	70,071	95,625	104,993	113,409	124,473	143,526	138,604
May	49,180	51,172	68,124	100,995	110,150	119,657	129,101	146,760	161,501
June	46,347	52,541	71,888	99,488	99,809	116,064	135,963	146,658	154,876
July	50,372	50,652	72,797	92,736	112,834	117,101	131,055	134,661	152,309
August	55,947	51,993	79,563	94,819	107,049	128,826	132,949	146,744	166,412
September	53,347	58,557	84,854	92,519	107,452	127,399	128,484	143,188	176,098
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	143,691	
December	56,329	65,617	85,244	105,656	113,216	130,172	134,005	160,941	
Annual Total	608,983	641,943	891,109	1,170,893	1,290,575	1,428,482	1,548,032	1,724,303	1,382,399

Source: CBK

**Chart 1: Monthly Remittance Inflows**

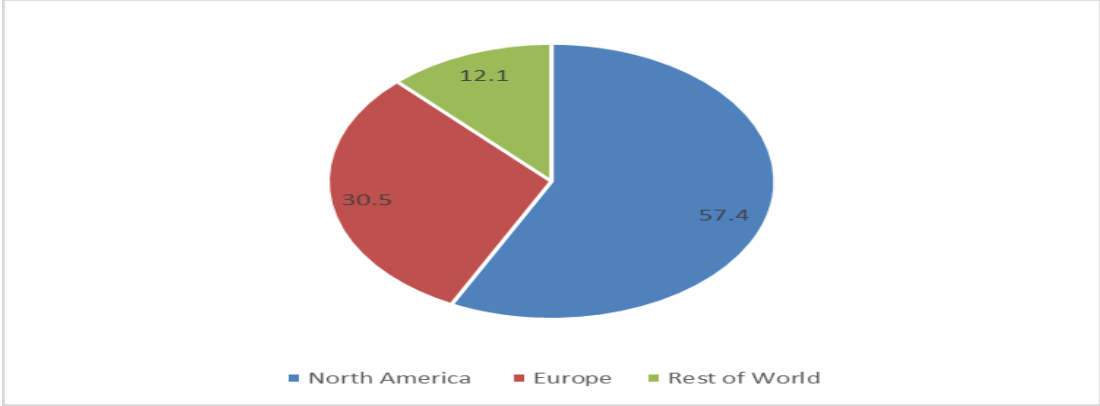


Source: CBK

**Remittance Inflows by Source Market**

Remittances from North America accounted for 57.4 percent of total inflows, which reflected an increase of 17.1 percent to USD 101.05 million in September 2017 from USD 86.3 million in August 2017. Inflows from Europe, at USD 53.7 million in September 2017 accounted for 30.5 percent of the total, but were 3.5 percent lower than the inflow in the previous month. Inflows from the rest of the world, at USD 21.3 million accounted for 12.1 percent of the total, and were lower – by 12.9 percent – compared to the inflow in August 2017 (*Chart 2*).

**Chart 2: Share of remittances by Source in September 2017 (in percent)**



*Source: CBK*