

Commentary on Remittances, July 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.

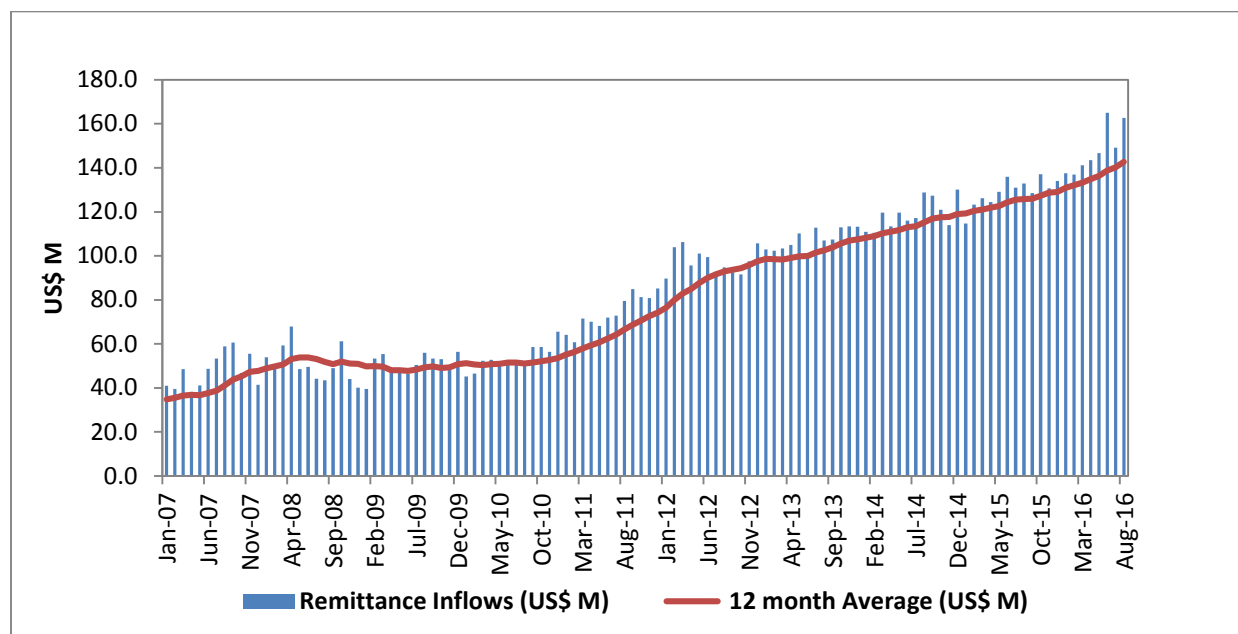
Remittance inflows to Kenya in Aug 2016 improved by 9.1 percent compared to a decline of 9.6 percent registered in July 2016 (Table 1). The August 2016 increase is reflected in inflows from all region (Table 2).

Cumulative inflows in the 12 months to August 2016 increased by 13.4 percent to USD 1,713 million from USD 1,510 million in the year to August 2015. The 12 month average flow to August 2016 therefore, increased to USD 142.8 million from USD 125.8 million in August 2015 (Chart 1). The sustained upward trend in part reflects the entry of additional money remittance providers into the market.

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

Monthly Remittance Inflows (2009 to 2016 in US\$ '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	165,049
July	50,372	50,652	72,797	92,736	112,834	117,101	131,055	149,130
August	55,947	51,993	79,563	94,819	107,049	128,826	132,949	162,681
September	53,347	58,557	84,854	92,519	107,452	127,399	128,484	
October	53,037	58,503	81,311	91,627	112,919	120,907	137,146	
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	1,182,725

Chart 1: Monthly Remittance Inflows (USD M)



Remittance inflows by source market

Remittance inflows from North America increased by 10.3 percent and accounted for 52.4 percent of total inflows in August 2016. Inflows from Europe increased by 4.5 percent and accounted for 27.6 percent of total inflows while inflows from the rest of the world increased by 12.8 percent and accounted for 20 percent of total inflows (Table 2).

Table 2: Monthly Remittance Inflows by Source

USD M	North America	Europe	Rest of World
Jun-16	85.86	43.66	35.53
Jul-16	77.31	42.92	28.90
Aug-16	85.24	44.84	32.60
Percentage share of total inflows			
	North America	Europe	Rest of World
Jun-16	52.0	26.5	21.5
Jul-16	51.8	28.8	19.4
Aug-16	52.4	27.6	20.0