

COMMENTARY ON REMITTANCES, NOVEMBER 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 5.6 percent in November 2017 compared to a growth of 5.8 percent recorded in October 2017 (**Table 1**). The decline in the November inflows is reflected in all the major source regions. However, remittance inflows recorded a 21.9 increase when compared to November 2016.

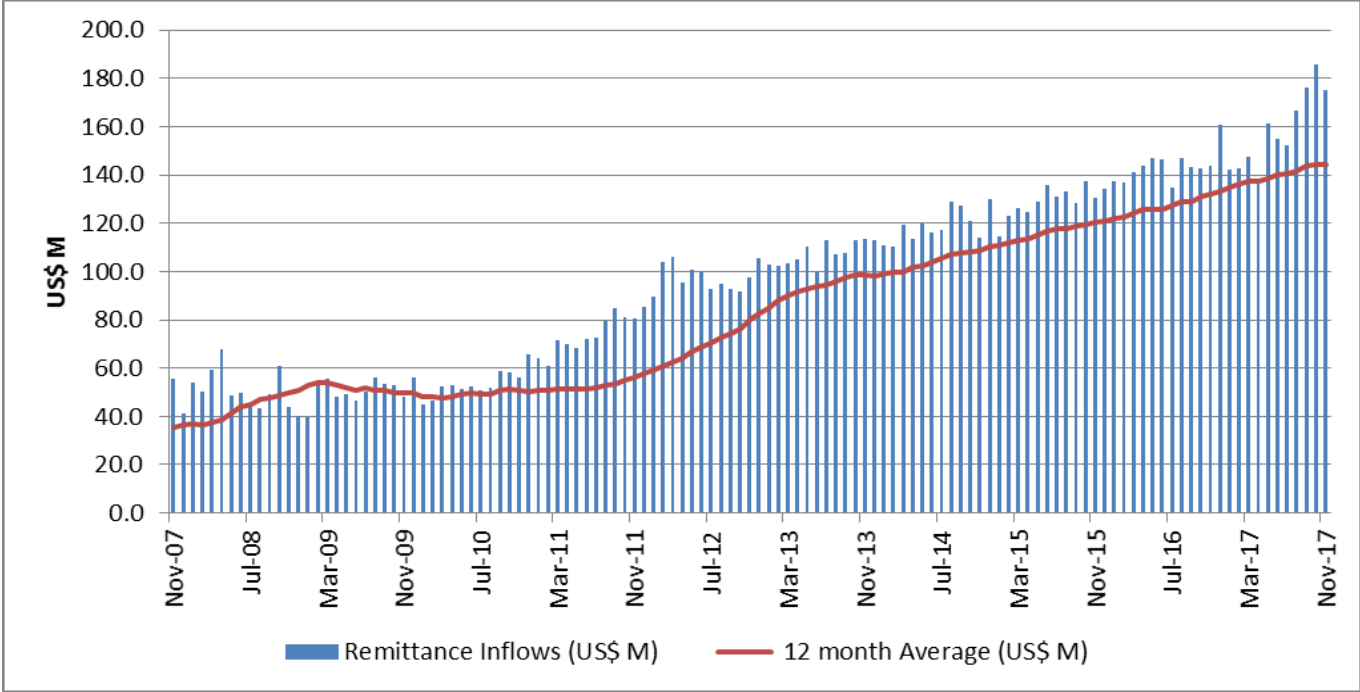
12-month cumulative inflows to November 2017 were 12.2 percent higher at USD 1,904 million compared to USD 1,697 million over the same period in 2016. Similarly, the 12-month average inflows to November 2017 sustained an upward trend to USD 158.7 million from USD 141.4 million over the same period in 2016 (**Chart 1**). Remittances as a share of GDP stabilized at 2.4 percent over the twelve months to November 2017.

Table 1: Monthly Remittance Inflows 2013 to 2017 (USD '000)

Month/Year	2013	2014	2015	2016	2017
January	102,969	110,969	114,642	137,494	142,403
February	102,372	110,421	123,236	136,979	142,666
March	103,393	119,585	126,259	141,107	147,530
April	104,993	113,409	124,473	143,526	138,604
May	110,150	119,657	129,101	146,760	161,501
June	99,809	116,064	135,963	146,658	154,876
July	112,834	117,101	131,055	134,661	152,309
August	107,049	128,826	132,949	146,744	166,412
September	107,452	127,399	128,484	143,188	176,098
October	112,919	120,907	137,146	142,555	185,504
November	113,420	113,972	130,718	143,691	175,181
December	113,216	130,172	134,005	160,941	
Annual Total	1,290,575	1,428,482	1,548,032	1,724,303	1,743,084

Source: CBK

Chart 1: Monthly Remittance Inflows

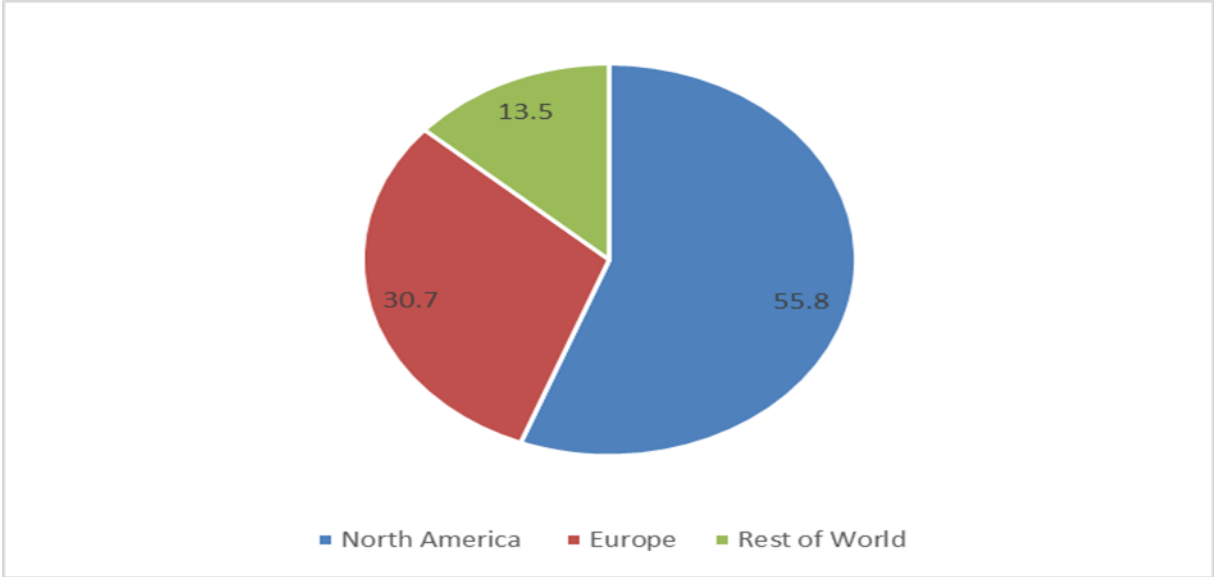


Source: CBK

Remittance Inflows by Source Market

Remittance inflows from North America, Europe and the rest of the world registered declines of 6.4 percent, 2.8 percent and 8.3 percent between October and November 2017, to stand at 55.8 percent, 30.7 percent, and 13.5 percent in November 2017, respectively (**Chart 2**).

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



Source: CBK