

## COMMENTARY ON REMITTANCES, OCTOBER 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 5.3 percent in October 2017 compared to inflows recorded in September 2017. This reflected increased flows from North America, Europe and the rest of the world. Remittance inflows in October 2017 also increased (by 30.1 percent) when compared to inflows recorded in October 2016.

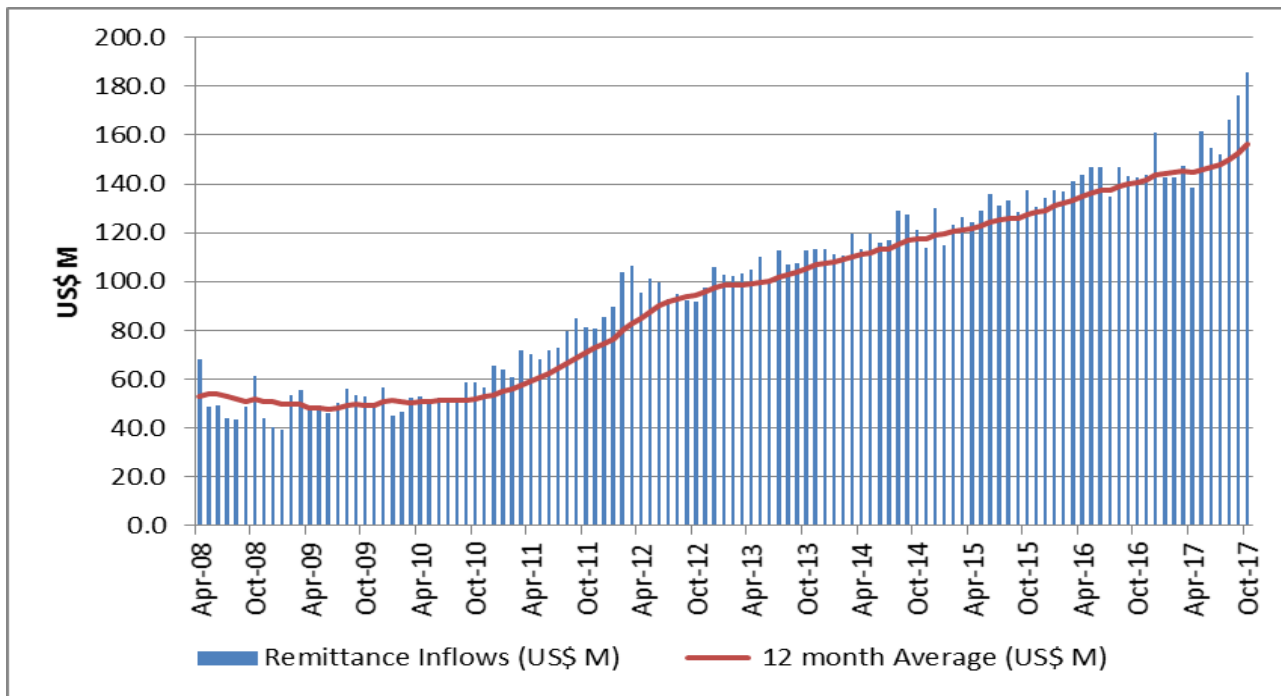
12-month cumulative inflows to October 2017 were 11.2 percent higher at USD 1,873 million compared to USD 1,684 million over the same period in 2016. 12-month average inflows to October 2017 also sustained an upward trend to USD 156 million from USD 140.4 million over the same period in 2016 (**Chart 1**). Remittances as a share of GDP stabilized at 2.4 percent over the twelve months to October 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	161,501
June	52,541	71,888	99,488	99,809	116,064	135,963	146,658	154,876
July	50,652	72,797	92,736	112,834	117,101	131,055	134,661	152,309
August	51,993	79,563	94,819	107,049	128,826	132,949	146,744	166,412
September	58,557	84,854	92,519	107,452	127,399	128,484	143,188	176,098
October	58,503	81,311	91,627	112,919	120,907	137,146	142,555	185,504
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	1,567,903

Source: CBK

**Chart 1: Monthly Remittance Inflows**

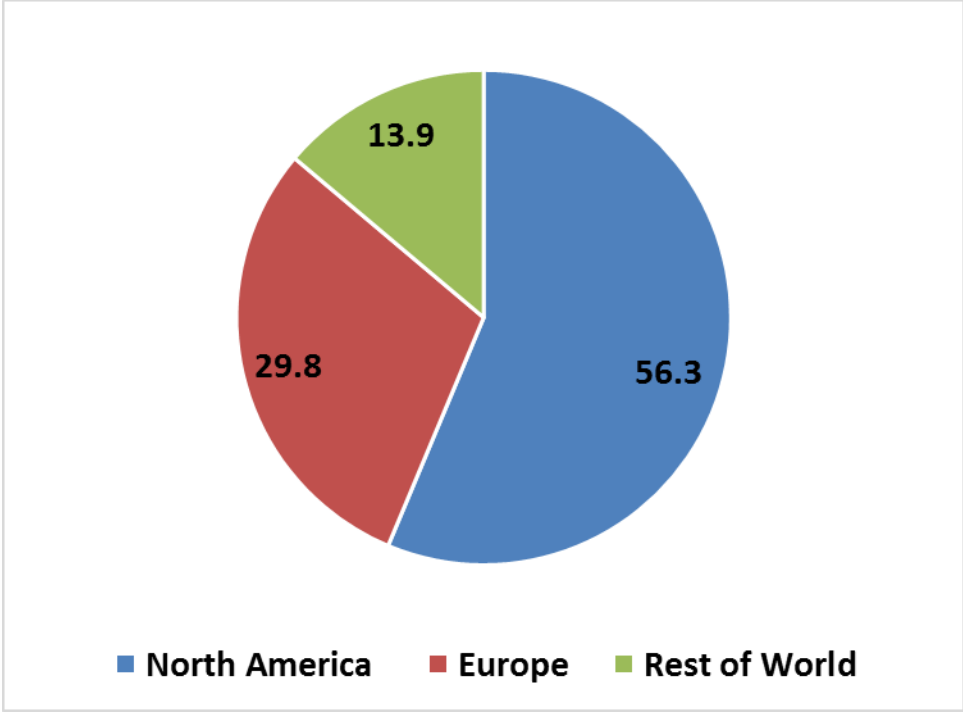


Source: CBK

**Remittance Inflows by Source Market**

Remittances from North America accounted for 56.3 percent of total inflows which reflected a 3.4 percent increase to USD 104.5 million in October 2017 from USD 101 million in September 2017. Inflows from Europe at USD 55.3 million in October 2017 accounted for 29.8 percent of total inflows and were 3 percent higher than inflows recorded during the previous month. Inflows from the rest of the world at USD 25.7 million accounted for 13.9 percent of total inflows and were 20.5 percent higher than inflows recorded in September 2017 (**Chart 2**).

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



Source: CBK