



MONTHLY ECONOMIC INDICATORS

December 2017

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1. INFLATION

Table 1.1 : Monthly Trends in Inflation (Per cent)

	Overall 12 months inflation	Food Inflation	Fuel Inflation	Non-Food Non-Fuel Inflation (NFNF)	Average Annual	Three months annualised
2015						
August	5.84	9.42	1.09	4.55	6.34	2.31
September	5.97	9.36	1.46	4.68	6.29	2.19
October	6.72	10.60	2.05	4.80	6.31	3.94
November	7.32	11.82	2.27	4.75	6.42	5.25
December	8.01	12.42	2.86	5.64	6.58	8.68
2016						
January	7.78	11.98	2.88	5.47	6.77	8.23
February	6.84	10.28	1.72	5.89	6.87	4.25
March	6.45	9.05	2.14	6.05	6.88	2.95
April	5.27	6.70	1.95	5.85	6.72	4.18
May	5.00	6.45	1.81	5.41	6.56	8.29
June	5.80	8.56	1.43	5.01	6.46	9.58
July	6.40	10.21	0.89	4.89	6.44	9.35
August	6.26	10.31	0.14	4.98	6.47	7.28
September	6.34	10.38	0.19	5.09	6.50	4.30
October	6.47	10.49	0.10	5.43	6.48	4.24
November	6.68	10.60	0.57	5.48	6.43	6.93
December	6.35	10.61	0.14	4.64	6.30	8.72
2017						
January	6.99	11.75	0.67	4.48	6.24	10.36
February	9.04	15.29	2.99	3.68	6.43	14.85
March	10.28	17.19	3.27	4.48	6.76	19.03
April	11.48	19.49	3.67	4.30	7.28	22.78
May	11.70	19.99	3.49	4.28	7.84	18.13
June	9.21	14.83	3.39	4.24	8.13	5.37
July	7.47	11.55	2.94	4.08	8.21	-5.56
August	8.05	12.80	3.07	3.87	8.35	-6.07
September	7.06	10.89	3.28	3.45	8.40	-3.67
October	5.72	8.23	3.65	2.99	8.33	-2.37
November	4.73	5.80	4.77	2.74	8.15	-5.61
December	4.50	4.86	5.37	3.06	7.98	-1.31

Food inflation comprise “Food and Non-alcoholic Beverages”, and “Hotels and Restaurants” categories of the CPI basket; fuel inflation comprise “Transport” and “Housing, Water, Electricity, Gas and Other Fuels” categories of the CPI basket; and NFNF excludes food and fuel inflation.

Source: Kenya National Bureau of Statistics and Central Bank of Kenya

INFLATION

Table 1.2: Contribution of CPI Baskets to Overall Inflation (Percentage points)

	Food & Non-Alcoholic Beverages	Alcoholic Beverages, Tobacco & Narcotics	Clothing & Footwear	Housing, Water, Electricity, Gas and other Fuels	Furnishings, Household Equipment and Routine Household Maintenance	Health	Transport	Communication	Recreation & Culture	Education	Restaurants & Hotels	Miscellaneous Goods & Services	Overall
2015													
June	5.43	0.06	0.34	0.36	0.25	0.15	-0.28	0.03	0.08	0.11	0.27	0.22	7.03
July	4.93	0.07	0.34	0.40	0.24	0.15	-0.22	0.03	0.08	0.11	0.26	0.22	6.62
August	4.06	0.07	0.33	0.47	0.24	0.15	-0.16	0.03	0.07	0.11	0.25	0.21	5.84
September	4.04	0.07	0.34	0.53	0.26	0.15	-0.12	0.03	0.08	0.11	0.27	0.21	5.97
October	4.62	0.08	0.33	0.69	0.28	0.15	-0.12	0.03	0.07	0.12	0.25	0.22	6.72
November	5.19	0.08	0.32	0.73	0.29	0.15	-0.10	0.04	0.07	0.12	0.24	0.20	7.32
December	5.44	0.31	0.35	0.83	0.28	0.14	-0.05	0.04	0.06	0.12	0.27	0.21	8.01
2016													
January	5.23	0.30	0.33	0.78	0.28	0.16	-0.02	0.03	0.09	0.11	0.28	0.20	7.78
February	4.48	0.29	0.33	0.49	0.27	0.17	-0.01	0.07	0.10	0.13	0.30	0.22	6.84
March	3.98	0.31	0.33	0.59	0.28	0.16	-0.01	0.07	0.10	0.13	0.29	0.22	6.45
April	2.95	0.30	0.32	0.57	0.26	0.16	-0.05	0.07	0.10	0.12	0.27	0.20	5.27
May	2.85	0.30	0.28	0.37	0.25	0.12	0.12	0.06	0.10	0.13	0.26	0.16	5.00
June	3.83	0.29	0.25	0.32	0.22	0.11	0.07	0.05	0.10	0.12	0.28	0.15	5.80
July	4.61	0.29	0.24	0.17	0.21	0.11	0.08	0.05	0.10	0.12	0.26	0.15	6.40
August	4.62	0.29	0.26	0.05	0.22	0.11	0.01	0.05	0.10	0.12	0.27	0.17	6.26
September	4.66	0.30	0.26	0.10	0.22	0.11	-0.02	0.05	0.10	0.12	0.27	0.17	6.34
October	4.73	0.30	0.30	0.02	0.20	0.11	0.05	0.06	0.11	0.13	0.29	0.18	6.47
November	4.80	0.29	0.33	0.06	0.21	0.11	0.13	0.05	0.11	0.12	0.29	0.17	6.68
December	4.85	0.08	0.31	0.03	0.20	0.11	0.05	0.05	0.11	0.12	0.26	0.16	6.35
2017													
January	5.42	0.09	0.30	0.04	0.19	0.09	0.19	0.06	0.08	0.11	0.24	0.17	6.99
February	7.09	0.09	0.30	0.39	0.18	0.11	0.37	0.01	0.05	0.09	0.22	0.14	9.04
March	8.06	0.10	0.30	0.43	0.20	0.12	0.44	0.03	0.07	0.10	0.25	0.17	10.28
April	9.18	0.10	0.29	0.50	0.20	0.11	0.45	0.03	0.07	0.10	0.29	0.17	11.48
May	9.43	0.10	0.28	0.49	0.20	0.11	0.41	0.03	0.06	0.10	0.30	0.18	11.70
June	7.01	0.09	0.28	0.50	0.21	0.10	0.37	0.03	0.06	0.10	0.29	0.18	9.21
July	5.43	0.09	0.28	0.50	0.20	0.09	0.25	0.02	0.05	0.09	0.28	0.17	7.47
August	6.03	0.08	0.27	0.57	0.19	0.11	0.21	0.03	0.04	0.09	0.28	0.15	8.05
September	5.11	0.08	0.24	0.53	0.17	0.10	0.28	0.02	0.04	0.09	0.26	0.14	7.06
October	3.77	0.07	0.19	0.57	0.18	0.09	0.31	0.01	0.03	0.08	0.28	0.13	5.72
November	2.58	0.06	0.18	0.82	0.16	0.11	0.31	0.00	0.02	0.07	0.27	0.13	4.73
December	2.10	0.06	0.19	0.80	0.17	0.13	0.47	0.01	0.03	0.08	0.31	0.14	4.50

Source: Kenya National Bureau of Statistics and Central Bank of Kenya

INFLATION

Table 1.3: Overall Inflation across Income Groups in Nairobi (Per cent)

	Nairobi Upper Income	Nairobi Middle Income	Nairobi Lower Income	Nairobi Combined
2015				
July	2.95	4.22	7.26	6.44
August	2.56	4.34	6.03	5.54
September	2.79	4.84	6.18	5.77
October	3.50	4.87	7.23	6.58
November	3.38	5.03	8.60	7.63
December	4.83	7.09	8.70	8.21
2016				
January	5.44	5.91	7.68	7.22
February	5.51	5.24	6.95	6.53
March	5.21	4.88	6.54	6.13
April	5.76	4.52	5.57	5.35
May	5.02	4.06	6.05	5.58
June	5.00	3.48	7.15	6.28
July	3.95	3.55	7.24	6.33
August	3.35	3.60	7.14	6.24
September	3.74	3.62	7.03	6.17
October	3.93	3.73	7.18	6.32
November	4.58	4.13	7.02	6.32
December	4.42	2.16	6.34	5.37
2017				
January	4.14	4.17	7.33	6.54
February	4.72	5.97	9.81	8.81
March	4.90	6.55	11.16	9.96
April	3.91	7.86	12.34	11.10
May	3.82	7.76	12.14	10.93
June	3.23	5.97	8.97	8.15
July	2.98	5.48	7.41	6.85
August	2.49	5.71	8.31	7.56
September	2.12	5.55	7.81	7.14
October	2.90	5.99	6.90	6.58
November	2.78	5.86	5.61	5.57
December	3.30	6.11	5.97	5.91

Source: Kenya National Bureau of Statistics

INFLATION

Table 1.4: Overall Inflation by Region (Per cent)

	Nairobi	Rest of Kenya	Kenya
2015			
May	6.09	7.39	6.87
June	6.53	7.38	7.03
July	6.44	6.75	6.62
August	5.54	6.05	5.84
September	5.77	6.10	5.97
October	6.58	6.82	6.72
November	7.63	7.12	7.32
December	8.21	7.87	8.01
2016			
January	7.22	8.16	7.78
February	6.53	7.05	6.84
March	6.13	6.67	6.45
April	5.35	5.22	5.27
May	5.58	4.61	5.00
June	6.28	5.48	5.80
July	6.33	6.44	6.40
August	6.24	6.27	6.26
September	6.17	6.45	6.34
October	6.32	6.57	6.47
November	6.32	6.92	6.68
December	5.37	7.01	6.35
2017			
January	6.54	7.33	6.99
February	8.81	9.19	9.04
March	9.96	10.50	10.28
April	11.10	11.73	11.48
May	10.93	12.21	11.70
June	8.15	9.92	9.21
July	6.85	7.88	7.47
August	7.56	8.37	8.05
September	7.14	7.00	7.06
October	6.58	5.15	5.72
November	5.57	4.17	4.73
December	5.91	3.55	4.50

Source: Kenya National Bureau of Statistics

2. MONEY, CREDIT AND INTEREST RATES

Table 2.1: Money Supply and its Sources (KSh Billion)												
												2017
COMPONENTS OF M3	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
1. Money supply, M1 (1.1+1.2+1.3)	1,272.9	1,287.1	1,317.2	1,363.7	1,359.1	1,391.3	1,382.4	1,364.3	1,382.7	1,395.4	1,387.7	1,397.3
1.1 Currency outside banks	196.9	197.6	200.6	204.1	201.7	206.7	209.5	207.5	208.9	210.7	216.9	225.1
1.2 Demand deposits	1,021.0	1,034.5	1,062.7	1,094.6	1,092.2	1,102.9	1,101.8	1,098.4	1,113.7	1,132.7	1,112.6	1,130.4
1.3 Other deposits at CBK ¹	54.6	54.6	53.5	64.6	64.9	81.2	70.7	58.1	59.7	51.5	57.9	41.4
2. Money supply, M2 (1+2.1)	2,336.2	2,350.4	2,412.1	2,450.9	2,461.2	2,480.5	2,496.0	2,503.2	2,515.1	2,515.1	2,521.0	2,538.2
2.1 Time and saving deposits	1,063.2	1,063.2	1,094.9	1,087.3	1,102.1	1,089.2	1,113.6	1,138.8	1,132.4	1,119.7	1,133.2	1,140.9
3. Money supply, M3 (2+3.1)	2,759.2	2,781.2	2,846.6	2,895.4	2,902.9	2,936.1	2,957.9	2,967.0	2,990.3	2,987.9	3,012.3	3,028.1
3.1 Foreign Currency Deposits	423.0	430.9	434.5	444.4	441.6	455.6	461.9	463.8	475.2	472.7	491.3	489.9
SOURCES OF M3												
1. Net foreign assets ²	517.7	532.9	603.0	677.0	657.0	644.1	615.9	607.0	615.6	568.2	553.1	535.1
1.1 Central Bank	625.6	627.6	697.8	759.3	751.0	738.3	705.6	684.4	694.6	649.5	635.6	627.1
1.2 Banking Institutions	-107.9	-94.7	-94.8	-82.3	-94.0	-94.2	-89.7	-77.4	-79.1	-81.3	-82.4	-92.1
2. Net domestic assets (2.1+2.2)	2,241.5	2,248.3	2,243.7	2,218.4	2,245.8	2,292.0	2,342.0	2,360.0	2,374.7	2,419.6	2,459.2	2,493.1
2.1 Domestic credit	2,972.3	2,976.6	2,952.6	2,899.7	2,945.2	3,002.2	3,051.0	3,064.5	3,069.7	3,114.9	3,172.3	3,198.3
2.1.1 Government (net)	585.1	606.3	583.5	539.5	590.2	646.2	687.7	693.8	674.3	716.3	740.7	756.8
2.1.2 Private sector	2,276.7	2,265.6	2,263.2	2,252.4	2,250.5	2,249.1	2,252.2	2,259.3	2,281.6	2,285.9	2,319.3	2,330.2
2.1.3 Other public sector	110.5	104.7	105.9	107.9	104.5	106.9	111.1	111.4	113.7	112.7	112.4	111.3
2.2 Other items net	-730.9	-728.3	-708.9	-681.4	-699.3	-710.3	-709.0	-704.4	-694.9	-695.3	-713.1	-705.2
Memorandum items												
1. Reserve money	401.3	394.8	414.9	408.2	410.5	399.6	419.6	422.7	424.5	416.9	417.4	438.8
Bank reserves	204.4	197.2	214.3	204.1	208.8	192.9	210.1	215.2	215.7	206.2	200.6	213.7
2. Overall liquidity, L (3+2.1.0)	3,702.8	3,735.0	3,816.7	3,858.9	3,873.8	3,935.0	3,958.7	3,979.9	4,016.3	4,038.4	4,087.3	4,101.2
2.1.0 Non-bank holdings of government securities	943.6	953.7	970.0	963.5	970.9	998.9	1,000.8	1,012.9	1,026.0	1,050.6	1,075.0	1,073.1
ANNUAL GROWTH RATE (Per cent)												
COMPONENTS OF M3	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
1. Money supply, M1 (1.1+1.2+1.3)	21.9	23.7	22.1	23.6	21.8	22.5	24.6	22.5	11.6	9.5	7.8	6.7
1.1 Currency outside banks	7.6	7.8	9.4	7.4	10.9	10.0	9.5	9.7	11.9	7.7	10.4	7.4
1.2 Demand deposits	26.4	27.2	26.4	28.0	26.8	25.2	29.0	29.9	13.7	11.9	8.3	8.2
1.3 Other deposits at CBK ¹	2.7	23.9	-1.2	12.1	-10.0	21.8	10.6	-26.1	-17.0	-21.1	-8.4	-24.9
2. Money supply, M2 (1+2.1)	5.3	4.5	5.7	6.3	6.2	5.4	7.5	7.5	7.5	7.0	7.4	7.5
2.1 Time and saving deposits	-9.5	-12.0	-9.0	-9.6	-8.3	-10.5	-8.1	-6.3	2.8	4.0	6.8	8.6
3. Money supply, M3 (2+3.1)	5.2	5.4	6.4	7.1	6.7	6.0	8.3	7.7	7.8	8.2	8.4	9.5
3.1 Foreign Currency Deposits	5.1	10.5	10.4	11.4	9.4	9.6	12.8	8.7	9.9	14.8	14.4	21.2
COUNTERPARTS OF M3												
1. Net foreign assets ²	9.4	16.6	27.8	30.8	29.0	14.5	11.2	5.5	4.0	-1.0	-1.6	8.1
1.1 Central Bank	1.7	1.4	8.9	14.2	13.0	6.3	3.3	0.4	1.1	-4.2	-1.5	-8.7
1.2 Banking Institutions	-24.0	-41.6	-43.9	-44.0	-39.5	-28.6	-30.6	-27.0	-17.0	-22.0	-0.6	-3.4
2. Net domestic assets (2.1+2.2)	4.3	3.0	1.8	1.4	1.5	3.9	7.6	8.3	8.9	10.6	11.0	14.3
2.1 Domestic credit	7.2	4.8	4.6	3.0	3.2	5.2	7.9	7.6	7.4	7.4	8.4	11.9
2.1.1 Government (net)	16.5	6.3	7.1	1.6	4.9	15.3	32.8	29.2	28.4	27.4	31.1	44.1
2.1.2 Private sector	3.9	3.5	3.0	2.2	1.9	1.5	1.4	1.6	1.7	2.0	2.7	3.9
2.1.3 Other public sector	36.7	27.5	29.1	32.7	28.9	36.0	26.8	27.8	26.1	17.4	8.5	23.4
2.2 Other items net	16.9	10.5	14.3	8.4	9.1	9.5	9.1	5.6	2.5	-2.3	0.4	4.0
Memorandum items												
1. Reserve money	5.1	2.9	3.2	6.0	5.2	2.4	9.4	7.7	8.1	3.8	6.2	6.7
Bank reserves	2.7	-1.7	-1.9	4.7	0.2	-4.7	9.3	5.8	4.6	0.0	2.0	6.0
2. Overall liquidity, L (3+2.1.0)	10.2	10.1	10.9	10.8	9.8	9.1	10.4	9.9	10.2	10.2	10.3	10.6
2.1.0 Non-bank holdings of government securities	28.0	26.7	26.4	23.7	20.5	19.5	17.0	17.0	17.6	16.5	15.7	13.6

Absolute and percentage changes may not necessarily add up due to rounding

¹ Includes county deposits and special projects deposit

² Net Foreign Assets at current exchange rate to the US dollar.

Source: Central Bank of Kenya

MONEY, CREDIT AND INTEREST RATES

Table 2.2: Banking System Net Domestic Credit (KSh Billion)

	2016					2017							
	Dec	Jan	Feb	Mar	Apr	May	Jun	July	Aug	Sept	Oct	Nov	Dec
1. Credit to Government	592.8	585.1	606.3	583.5	539.5	590.2	646.2	687.7	693.8	674.3	716.3	740.7	756.8
Central Bank	-113.9	-101.8	-66.9	-117.2	-191.2	-189.3	-178.9	-118.2	-115.0	-167.6	-115.3	-97.8	-67.0
Commercial Banks & NBFIs	706.7	686.9	673.2	700.7	730.6	779.5	825.1	805.8	808.8	841.9	831.7	838.5	823.8
2. Credit to other public sector	104.7	110.5	104.7	105.9	107.9	104.5	106.9	111.1	111.4	113.7	112.7	112.4	111.3
County government	3.8	3.9	3.8	3.8	3.9	3.9	3.9	4.9	4.1	4.2	4.1	4.0	2.9
Parastatals	100.9	106.6	100.9	102.1	104.0	100.6	103.0	106.1	107.3	109.5	108.6	108.4	108.4
3. Credit to private sector	2,275.7	2,276.7	2,265.6	2,263.2	2,252.4	2,250.5	2,249.1	2,252.2	2,259.3	2,281.6	2,285.9	2,319.3	2,330.2
Agriculture	90.1	90.3	95.3	86.8	84.6	84.4	85.5	86.8	86.8	88.8	86.4	82.8	83.0
Manufacturing	275.0	273.8	272.8	278.6	281.0	286.4	282.8	286.5	287.7	295.6	302.1	307.6	310.6
Trade	380.7	385.5	376.0	382.0	385.6	383.4	388.2	390.6	389.4	408.7	409.4	417.0	414.9
Building and construction	104.8	104.8	106.3	101.4	99.6	103.2	100.8	101.4	102.9	106.7	109.4	107.7	109.9
Transport & communications	201.3	201.1	195.9	196.8	194.6	189.3	185.5	183.1	186.2	182.7	181.2	187.8	186.7
Finance & insurance	85.2	84.0	82.1	77.3	77.9	85.0	84.9	84.4	85.9	83.5	80.2	84.1	81.6
Real estate	337.4	339.8	340.5	351.1	354.6	355.9	355.7	357.3	357.9	358.8	362.9	364.7	366.5
Mining and quarrying	16.8	16.8	15.9	14.9	14.8	14.5	14.7	14.2	15.0	16.0	16.1	16.4	15.9
Private households	393.1	396.3	400.3	394.8	386.8	382.9	386.7	385.8	387.1	384.0	386.1	388.3	387.1
Consumer durables	175.3	175.5	174.4	172.5	172.5	172.7	168.2	168.3	169.8	170.9	175.0	176.5	172.5
Business services	147.1	144.2	144.6	145.7	141.3	132.6	136.7	136.8	135.4	134.6	128.3	132.9	137.8
Other activities	68.9	64.7	61.6	61.3	59.1	60.0	59.5	57.0	55.3	51.4	48.8	53.5	63.7
4. TOTAL (1+2+3)	2,973.2	2,972.3	2,976.6	2,952.6	2,899.7	2,945.2	3,002.2	3,051.0	3,064.5	3,069.7	3,114.9	3,172.3	3,198.3
ANNUAL GROWTH RATE (Per cent)													
1. Credit to Government	12.9	16.5	6.3	7.1	1.6	4.9	15.3	32.8	29.2	28.4	27.4	31.1	27.7
Central Bank	161.2	65.0	43.3	45.2	75.6	64.1	14.6	-35.9	-25.6	-8.4	-21.2	-38.0	-41.2
Commercial Banks & NBFIs	24.3	21.8	9.1	12.0	14.2	15.0	15.2	14.8	17.0	18.9	17.4	16.0	16.6
2. Credit to other public sector	27.0	36.7	27.5	29.1	32.7	28.9	36.0	26.8	27.8	26.1	17.4	8.5	6.3
Local government	-26.7	10.6	8.7	10.7	10.6	10.2	8.8	35.9	11.4	13.4	9.3	5.9	-24.2
Parastatals	30.6	37.8	28.3	29.9	33.7	29.8	37.3	26.4	28.5	26.6	17.7	8.6	7.4
3. Credit to private sector	4.1	3.9	3.5	3.0	2.2	1.9	1.5	1.4	1.6	1.7	2.0	2.7	2.4
Agriculture	0.9	-2.6	1.4	-7.7	-8.8	-12.6	-12.3	-11.6	-7.6	-2.0	-1.1	-7.7	-7.9
Manufacturing	-2.4	-6.8	-8.6	-7.8	-6.8	-5.2	-7.1	-6.6	3.3	6.1	10.2	10.6	13.0
Trade	15.9	13.4	10.1	11.6	8.0	8.8	10.7	9.0	4.3	6.9	11.5	10.0	9.0
Building and construction	-2.8	-0.8	8.3	0.6	-2.3	2.5	-0.7	0.5	-1.5	1.8	4.0	3.1	4.8
Transport & communications	14.9	10.2	8.0	9.6	7.6	5.6	3.2	0.6	-2.3	-4.9	-8.2	-8.0	-7.2
Finance & insurance	16.7	-0.6	-4.6	-9.2	-11.9	-2.8	-4.4	-8.5	5.4	-1.4	-1.3	1.5	-4.3
Real estate	11.0	10.3	9.7	12.4	13.2	11.8	10.1	11.8	9.7	8.9	10.0	9.3	8.6
Mining and quarrying	-19.1	-17.5	-25.5	-34.0	-34.2	-39.5	-37.8	-41.0	-7.6	-0.8	9.2	-3.2	-5.5
Private households	19.7	14.7	15.6	13.3	10.4	9.8	10.9	12.1	6.2	1.9	2.9	2.7	-1.5
Consumer durables	11.3	11.1	11.1	10.1	11.9	11.3	7.5	3.3	-1.6	-0.5	0.1	-0.4	-1.6
Business services	-34.8	-13.0	-13.7	-15.5	-15.1	-21.8	-15.8	-10.8	-6.5	-6.4	-19.2	-7.6	-6.4
Other activities	-27.0	-31.3	-29.2	-23.5	-19.8	-20.0	-25.0	-28.1	-27.4	-28.6	-35.0	-23.1	-7.5
4. TOTAL (1+2+3)	6.4	7.2	4.8	4.6	3.0	3.2	5.3	7.9	7.6	7.4	7.4	8.4	7.6

Source: Central Bank of Kenya

MONEY, CREDIT AND INTEREST RATES

Table 2.3: Interest Rates (Per cent)

	Central Bank Rates						Government Tbill Rates			Commercial Bank Rates			
	Repo		Reverse Repos	Inter-bank	CBR	KBRR	91-days	182 days	364 days	De-posit	Sav-ings	Lending	Over-draft
	7 days	3 days											
2015													
August	11.50	11.50	-	18.80	11.50	9.87	11.54	12.06	13.30	6.91	1.50	15.68	15.98
September	11.50	11.50	-	19.85	11.50	9.87	14.61	13.40	15.24	7.28	1.71	16.82	16.61
October	11.50	11.50	-	14.82	11.50	9.87	21.65	21.52	21.61	7.54	1.68	16.58	16.81
November	-	-	-	8.77	11.50	9.87	12.34	14.02	15.20	7.39	1.32	17.16	17.44
December	9.23	8.00	-	7.27	11.50	9.87	9.81	11.43	12.50	8.02	1.56	18.30	18.48
2016													
January	8.85	-	11.44	6.37	11.50	9.87	11.36	13.46	14.08	7.57	1.56	18.00	18.45
February	9.68	3.50	11.59	4.53	11.50	9.87	10.63	13.19	13.74	7.49	1.40	17.91	18.25
March	4.31	-	11.63	4.05	11.50	9.87	8.72	10.83	12.26	7.17	1.35	17.87	18.14
April	5.23	-	12.49	3.94	11.50	9.87	8.92	10.87	11.84	6.89	1.49	18.04	18.08
May	6.00	-	11.55	3.66	10.50	9.87	8.15	10.25	11.60	6.44	1.59	18.22	18.20
June	10.04	-	10.59	4.92	10.50	9.87	7.25	9.56	10.84	6.78	1.60	18.18	18.09
July	9.76	4.14	10.57	5.60	10.50	8.90	7.41	9.79	10.88	6.64	1.67	18.10	17.84
August	7.86	-	10.53	4.98	10.50	8.90	8.48	10.84	11.66	6.42	1.68	17.71	17.96
September	-	-	10.36	4.89	10.00	8.90	8.06	10.85	11.03	6.91	3.79	13.84	13.60
October	-	-	10.08	4.12	10.00	8.90	7.76	10.32	10.42	7.82	6.08	13.65	13.46
November	7.05	-	10.17	4.76	10.00	8.90	8.22	10.32	10.74	7.65	6.13	14.31	13.97
December	-	-	10.04	5.55	10.00	8.90	8.44	10.55	11.02	7.33	6.37	13.69	13.49
2017													
January	9.95	-	10.02	7.70	10.00	-	8.58	10.50	8.78	7.20	6.09	13.66	13.30
February	9.88	-	10.01	6.41	10.00	-	8.64	10.53	10.93	7.65	6.81	13.69	13.32
March	7.23	-	10.04	4.46	10.00	-	8.69	10.53	10.91	7.12	5.89	13.61	13.29
April	5.32	-	10.02	5.34	10.00	-	8.77	-	10.92	6.97	5.67	13.61	13.30
May	5.29	-	10.01	4.93	10.00	-	8.73	10.41	10.92	7.07	5.85	13.71	13.44
June	4.13	-	10.05	3.99	10.00	-	8.42	10.38	10.88	7.15	5.63	13.66	13.38
July	8.29	-	10.25	6.99	10.00	-	8.22	10.32	10.89	7.43	6.40	13.70	13.65
August	8.90	-	10.29	8.10	10.00	-	8.17	10.32	10.90	7.67	5.94	13.65	13.66
September	7.24	-	10.12	5.52	10.00	-	8.13	10.32	10.93	7.66	6.43	13.69	13.65
October	0.00	-	10.11	7.85	10.00	-	8.09	10.33	10.98	7.82	6.47	13.71	13.68
November	9.21	-	10.10	8.86	10.00	-	8.01	10.47	11.01	8.07	6.93	13.68	13.60
December	7.75	-	10.10	7.70	10.00	-	8.01	10.528	11.08	8.22	6.91	13.64	13.54

CBR - Central Bank Rate

KBRR - Kenya Bank's Reference Rate

REPO - Repurchase Agreement

Source: Central Bank of Kenya

3. REAL SECTOR INDICATORS

Table 3.1: Selected Indicators of Economic Activity

	2016	2017											
	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Agriculture													
Horticulture, exports ('000 tonnes)	23	25	29	31	25	31	29	31	25	27	30	28	24
Fresh vegetables	9	7	8	10	7	9	10	15	10	13	15	14	10
Fruits and nuts	5	8	7	9	8	11	9	8	6	4	3	4	4
Cut flowers	10	10	13	12	11	12	10	9	9	9	11	10	10
Horticulture, exports (KSh Millions)	5,984	6,100	7,797	7,300	6,592	8,162	7,234	7,712	6,732	6,410	7,472	7,186	7,000
Fresh vegetables	1,741	1,578	1,555	1,678	1,302	1,601	1,649	2,034	1,564	1,590	2,038	2,223	1,891
Fruits and nuts	940	1,154	1,049	1,278	1,597	2,218	2,084	2,463	1,878	1,411	1,295	1,075	1,171
Cut flowers	3,302	3,369	5,193	4,344	3,693	4,343	3,501	3,215	3,290	3,408	4,139	3,888	3,938
Tea, production (tonnes)	45,103	32,991	22,605	34,498	31,458	38,822	40,538	31,565	32,693	38,386	43,420	45,374	47,507
Coffee, sales (tonnes)	1,666	5,190	6,081	5,460	4,563	1,639	0*	762	2,319	2,465	1,619	2,310	1,320
Cane, deliveries ('000 tonnes)	520	582	519	471	305	232	249	245	173	291	453	571	522
Milk intake, formal sector (million litres)	51	53	42	42	42	38	42	42	46	46	47	48	48
Manufacturing													
Sugar, production (tonnes)	49,966	53,071	49,094	42,238	26,230	15,246	16,113	17,882	10,892	21,649	32,296	43,175	49,240
Soft drinks, production (million litres)	52,185	50,491	43,941	46,585	41,814	36,483	41,265	39,575	38,228	35,677	39,905	39,033	N/A
Galvanised sheets, production (tonnes)	19,431	23,271	21,696	22,165	21,999	22,162	21,645	22,029	21,673	22,143	23,037	N/A	N/A
Cement, production (tonnes)	545,956	565,440	491,307	570,522	535,061	482,762	513,313	553,631	451,651	498,197	498,374	494,518	502,809
Assembled vehicles, production (units)	376	375	609	585	463	446	431	433	348	321	392	377	N/A
Electricity													
Electricity, generation (million KWH)	828	830	750	852	816	856	831	866	826	855	861	877	879
Hydro	299	252	214	234	212	229	180	193	251	239	217	305	250
Geo-thermal	371	380	354	388	381	394	376	402	415	403	416	411	436
Thermal	158	197	182	230	223	234	274	271	159	213	224	153	185
Wind	8	7	7	6	7	3	3	2	3	4	4	7	7
Construction													
Cement, consumption (tonnes)	514,498	535,018	460,044	537,948	497,821	441,110	496,172	527,774	427,594	473,794	477,047	459,868	450,960
Transport and Storage													
Visitor arrivals (Actual no.)	77,869	79,690	72,730	71,950	67,084	67,531	78,928	105,241	89,782	87,440	64,591	72,573	105,862
JKIA - Nairobi	67,602	67,053	62,119	63,568	62,982	64,866	74,194	97,955	79,053	78,329	57,034	61,617	90,745
MIA - Mombasa	10,267	12,637	10,611	8,382	4,102	2,665	4,734	7,286	10,729	9,111	7,557	10,956	15,117
Fuel Prices (Average Retail)													
Crude oil price, Murban Adnoc (Abu Dhabi FOB), US\$ per barrel	54	55	56	53	53	51	47	49	49	56	64	64	62
Premium fuel (KSh per Litre)	95	97	101	102	99	100	100	98	97	99	101	104	105
Diesel Oil (KSh per Litre)	88	85	90	91	90	89	88	85	87	87	88	93	93
Kerosene (KSh per Litre)	65	64	68	69	65	66	66	64	64	65	67	72	72
L.P.G (KSh per 13Kg)	1,983	1,990	1,976	1,999	2,064	2,104	2,112	2,074	2,080	2,094	2,140	2,129	2,141
Charcoal (KSh per 4Kg tin)	79	80	80	80	81	81	82	82	82	82	82	83	83
**The Nairobi Coffee Exchange was in recess in June/July 2017.													
N/A - Not available													
Source: Kenya National Bureau of Statistics													

4. BALANCE OF PAYMENTS AND EXTERNAL SECTOR INDICATORS

Table 4.1 : Analytical Balance of Payment Statement Cumulative Flows (USD Millions)

Cumulative 12 months 1/	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
	Rev	Prov	Prov	Prov	Prov	Prov	Prov	Prov	Prov	Prov	Prov	Prov	Prov
A. Current Account, n.i.e.	-3,652.8	-4,228.7	-4,487.8	-4,589.0	-4,657.3	-4,821.0	-4,834.1	-5,005.8	-5,088.0	-5,087.6	-5,193.3	-5,157.4	-5,095.2
Goods: exports f.o.b.	5,747.4	5,749.3	5,697.0	5,689.9	5,663.6	5,679.2	5,700.5	5,736.9	5,674.4	5,705.9	5,766.4	5,770.0	5,796.1
Goods: imports f.o.b.	13,637.4	14,042.8	14,320.8	14,567.2	14,592.7	14,905.1	15,020.7	15,442.9	15,528.8	15,664.6	15,951.5	16,019.9	16,192.4
Services: credit	4,525.8	4,439.3	4,463.6	4,554.8	4,539.3	4,640.5	4,700.3	4,798.2	4,859.0	4,885.7	4,953.1	5,023.8	5,135.2
Services: debit	2,837.1	2,874.2	2,868.4	2,897.7	2,945.3	2,979.7	3,068.1	3,113.7	3,178.7	3,214.3	3,279.5	3,337.9	3,376.1
Balance on goods and services	-6,201.3	-6,728.4	-7,028.6	-7,220.2	-7,335.1	-7,565.1	-7,687.9	-8,021.5	-8,174.1	-8,287.3	-8,511.5	-8,564.0	-8,637.1
Primary income: credit	433.5	436.1	441.8	447.2	454.2	462.6	471.1	470.5	473.8	476.5	481.6	486.1	491.1
Primary income: debit	1,114.8	1,171.0	1,166.3	1,161.3	1,178.6	1,241.7	1,249.0	1,237.9	1,225.8	1,294.8	1,294.1	1,299.9	1,344.7
Balance on goods, services, and primary income	-6,882.6	-7,463.2	-7,753.1	-7,934.2	-8,059.5	-8,344.3	-8,465.8	-8,789.0	-8,926.1	-9,105.7	-9,324.0	-9,377.8	-9,490.7
Secondary income, n. i. e.: credit	3,280.9	3,283.1	3,313.5	3,388.7	3,456.8	3,584.7	3,704.8	3,856.4	3,910.8	4,093.4	4,206.4	4,297.7	4,474.9
Secondary income: debit	51.1	48.5	48.1	43.4	54.5	61.4	73.1	73.2	72.7	75.3	75.7	77.3	79.4
B. Capital Account, n.i.e.	205.7	165.2	115.1	177.3	181.2	163.1	186.4	188.8	197.8	193.8	217.8	222.7	251.8
Capital account, n.i.e.: credit	205.7	165.2	115.1	177.3	181.2	163.1	186.4	188.8	197.8	193.8	217.8	222.7	251.8
Capital account: debit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
C. Financial Account, n.i.e.	-4,137.4	-4,257.5	-4,242.7	-5,357.4	-5,860.1	-6,372.3	-5,954.9	-5,782.8	-5,972.1	-5,940.4	-6,137.9	-5,915.8	-5,300.0
Direct investment: assets	157.7	161.8	172.3	184.9	207.5	225.7	231.5	234.5	233.7	223.2	213.1	205.2	193.7
Direct investment: liabilities, n.i.e.	392.8	399.9	426.2	434.7	462.6	465.3	487.4	486.9	511.2	551.2	571.6	565.8	573.6
Portfolio investment: assets	423.6	482.8	540.9	641.2	685.5	748.5	799.8	823.5	873.3	906.3	948.3	955.4	970.8
Equity and investment fund shares	407.3	467.2	529.1	630.0	676.0	738.8	791.0	816.4	866.8	899.3	942.4	949.6	963.9
Debt securities	16.3	15.6	11.8	11.2	9.5	9.7	8.8	7.2	6.4	7.1	5.9	5.9	6.9
Portfolio investment: liabilities, n.i.e.	39.1	34.9	36.4	29.8	31.4	31.3	28.8	27.9	26.5	26.4	26.2	25.9	27.4
Equity and investment fund shares	22.0	22.4	24.0	22.2	23.9	23.8	22.0	22.3	21.6	22.1	23.3	23.7	25.2
Debt securities	17.1	12.5	12.5	7.6	7.5	7.6	6.8	5.6	4.9	4.4	2.9	2.1	2.2
Financial derivatives: net	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other investment: assets	-193.5	161.4	570.6	456.4	489.0	326.8	226.0	252.0	310.6	84.2	122.9	-119.5	350.0
Other investment: liabilities, n.i.e.	4,093.3	4,628.8	5,063.8	6,175.5	6,748.2	7,176.6	6,696.1	6,578.1	6,852.0	6,576.5	6,824.4	6,365.4	6,213.7
<i>of which</i>													
Other debt instruments	4,101.5	4,637.0	5,072.1	6,183.8	6,756.5	7,184.9	6,704.4	6,586.3	6,860.1	6,584.6	6,832.4	6,373.2	6,221.4
Deposit-taking corporations, except the central bank	-283.1	-255.8	-176.4	-352.0	-372.1	-366.5	-215.3	-263.6	-56.0	-181.6	-226.5	-228.4	-71.6
General government	1,972.1	2,329.3	2,656.6	3,624.5	4,205.1	4,625.6	3,909.5	3,881.7	4,002.9	3,829.3	4,144.3	3,772.6	3,540.6
Other sectors	2,448.4	2,543.7	2,621.3	2,894.4	2,879.3	2,878.7	2,886.1	2,882.9	2,904.3	2,883.9	2,834.3	2,807.7	2,737.7
Nonfinancial corporations, households, and NPISHs	2,448.4	2,543.7	2,621.3	2,894.4	2,879.3	2,878.7	2,886.1	2,882.9	2,904.3	2,883.9	2,834.3	2,807.7	2,737.7
D. Net Errors and Omissions	-561.2	-123.8	136.7	-261.2	-545.4	-1,054.7	-894.0	-900.0	-1,216.8	-1,254.4	-1,885.5	-1,368.8	-620.3
E. Overall Balance	-129.0	-70.2	-6.7	-684.6	-838.7	-659.7	-413.2	-65.9	135.0	207.7	723.0	387.6	163.6
F. Reserves and Related Items	129.0	70.2	6.7	684.6	838.7	659.7	413.2	65.9	-135.0	-207.7	-723.0	-387.6	-163.6
Reserve assets	38.4	-15.0	-90.8	572.1	729.0	558.8	312.8	-29.7	-233.8	-300.8	-813.2	-460.5	-241.0
Credit and loans from the IMF	-90.7	-85.2	-97.4	-112.4	-109.7	-100.8	-100.4	-95.6	-98.8	-93.1	-90.2	-72.9	-77.3
Exceptional financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

1/Sum of flows over twelve months to the reporting period.

Source: Central Bank of Kenya

BALANCE OF PAYMENTS AND EXTERNAL SECTOR INDICATORS

Table 4.2: Monthly Average Exchange Rates

MONTH	CURRENCY							
	USD	UK POUND	EURO	SA RAND	USHS	TSHS	RWF	BIF
	KENYA SHILLINGS PER UNIT OF CURRENCY*				UNITS OF CURRENCY PER KENYA SHILLING**			
2016								
January	102.31	147.53	111.11	6.27	33.71	21.32	7.35	15.19
February	101.93	145.86	113.02	6.46	33.68	21.45	7.36	15.28
March	101.49	144.24	112.60	6.57	33.15	21.55	7.44	15.33
April	101.23	144.79	114.84	6.92	33.04	21.65	7.49	15.36
May	100.73	146.27	113.96	6.58	33.21	21.74	7.56	15.46
June	101.14	144.32	113.69	6.73	33.27	21.67	7.59	16.02
July	101.33	133.42	112.10	7.02	33.34	21.61	7.46	16.45
August	101.41	132.89	113.66	7.40	33.25	21.57	7.58	16.47
September	101.27	133.15	113.48	7.21	33.39	21.56	7.64	16.49
October	101.32	125.47	111.88	7.27	33.88	21.54	7.60	16.51
November	101.75	126.29	109.98	7.32	34.93	21.44	7.90	16.49
December	102.13	127.68	107.67	7.36	35.25	21.34	7.99	16.44
2017								
January	103.75	128.01	110.17	7.65	34.79	21.40	7.93	16.20
February	103.64	129.46	110.36	7.85	34.58	21.56	7.99	16.31
March	102.85	126.87	109.87	7.96	34.98	21.73	8.05	16.51
April	103.33	130.43	110.68	7.67	35.03	21.62	8.06	16.46
May	103.26	133.46	114.05	7.79	35.10	21.65	8.04	16.54
Jun	103.49	132.47	116.18	8.03	34.69	21.62	8.03	16.66
July	103.88	134.86	119.40	7.90	34.67	21.55	7.97	16.66
August	103.56	134.24	122.24	7.82	34.82	21.62	8.01	16.79
September	103.12	137.09	122.86	7.85	34.91	21.75	8.07	16.92
October	103.39	136.44	121.59	7.58	35.16	21.71	8.09	16.94
November	103.57	136.78	121.42	7.34	35.14	21.66	8.16	16.95
December	103.10	138.24	121.97	7.81	35.14	21.73	8.22	17.08

USD - United States Dollar

SA RAND - South African Rand

USHS - Uganda Shilling

TSHS - Tanzania Shilling

RWF- Rwanda Franc

BIF - Burundi Franc

*Kenya Shillings per unit of currency e.g 91.36 KSh=1 USD

**Units of currency per Kenya Shilling e.g 31.29 USHS= 1 KShs

Source: Central Bank of Kenya

BALANCE OF PAYMENTS AND EXTERNAL SECTOR INDICATORS

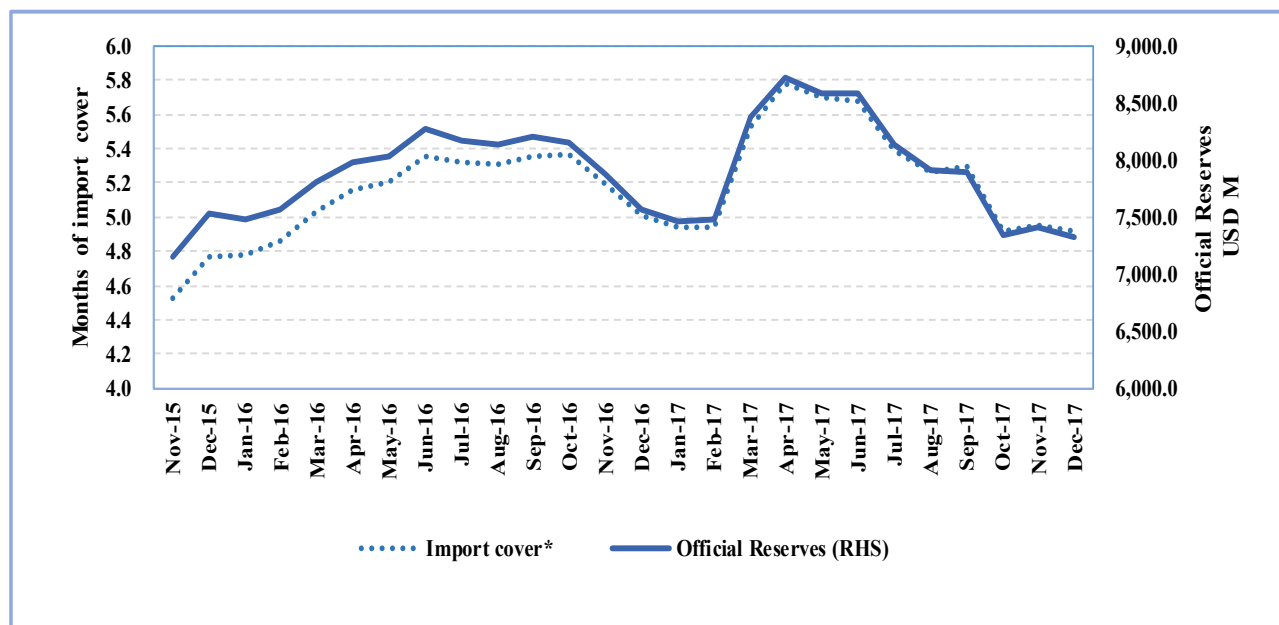
Table 4.3 Foreign Exchange Reserves (End of Period USD Million)

	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
Gross Reserves	9,587.5	9,724.1	9,929.4	10,785.8	11,233.0	10,934.4	10,984.3	10,550.3	10,378.2	10,332.4	9,698.1	9,694.4	9,645.7
<i>of which</i>													
Official Reserves	7,572.9	7,466.2	7,475.0	8,379.0	8,714.8	8,590.9	8,579.8	8,134.9	7,910.2	7,898.9	7,341.4	7,411.6	7,331.9
import cover*	5.0	4.9	4.9	5.5	5.8	5.7	5.7	5.4	5.3	5.3	4.9	5.0	4.9
Commercial Banks	2,014.6	2,257.9	2,454.3	2,406.9	2,518.2	2,343.4	2,404.5	2,415.3	2,468.0	2,433.4	2,356.6	2,282.8	2,313.8

*Based on 36 month average of imports of goods and services

Source: Central Bank of Kenya

Chart 1: Official Reserves and Months of Import Cover



Source: Central Bank of Kenya

5. DEVELOPMENTS IN THE BANKING SECTOR

Table 5.1: Kenyan Banking Sector Performance Indicators (KSh Billion)

	Total Assets	Shareholders Funds	Gross Loans	Gross NPLs	Gross Deposits	Total Liquidity Ratio (%) (Average)	Profit Before Tax
2015							
August	3,655.8	548.8	2,277.7	126.5	2,567.0	37.6	99.7
September	3,654.5	555.5	2,318.0	124.7	2,568.5	37.4	114.2
October	3,591.1	548.6	2,243.9	128.1	2,508.9	36.4	122.4
November	3,626.9	564.7	2,260.3	139.9	2,553.8	37.5	130.7
December	3,492.6	574.4	2,165.3	147.3	2,485.9	38.1	134.3
2016							
January	3,717.0	569.3	2,354.3	154.7	2,622.4	38.1	13.9
February	3,759.3	574.7	2,367.1	161.1	2,648.6	38.7	26.3
March	3,571.3	553.6	2,221.2	170.6	2,559.8	39.8	38.4
April	3,751.7	569.0	2,344.0	183.3	2,658.0	40.5	50.6
May	3,634.8	570.3	2,240.6	192.6	2,586.3	41.1	64.7
June	3,672.9	576.6	2,255.8	191.5	2,623.6	41.6	81.1
July	3,652.5	580.8	2,244.6	202.9	2,603.2	41.9	96.7
August	3,694.0	589.4	2,255.7	215.2	2,635.7	40.4	110.1
September	3,784.6	598.9	2,271.5	207.1	2,687.1	42.9	121.0
October	3,764.0	608.2	2,294.3	213.2	2,661.6	43.6	130.3
November	3,795.5	608.9	2,327.2	214.4	2,680.0	42.7	140.8
December	3,762.5	606.7	2,340.0	212.9	2,653.1	41.4	150.3
2017							
January	3,757.3	607.2	2,352.0	210.8	2,656.1	41.8	10.8
February	3,783.7	614.3	2,365.8	228.3	2,685.5	43.2	20.4
March	3,841.5	619.2	2,381.3	226.6	2,741.2	43.8	34.4
April	3,920.1	615.3	2,397.5	230.6	2,813.5	44.4	45.3
May	3,903.3	614.3	2,354.1	233.8	2,832.2	55.7	44.6
June	3,946.4	622.9	2,366.1	234.6	2,854.3	44.7	69.4
July	3,988.6	631.9	2,370.3	245.1	2,885.6	45.6	80.1
August	3,978.3	641.0	2,367.4	253.8	2,893.9	45.6	92.9
September	4,030.3	640.3	2,390.4	249.7	2,898.5	45.4	99.0
October	4,036.4	643.4	2,413.7	256.5	2,909.5	44.7	113.6
November	4,020.7	649.7	2,441.0	257.3	2,901.9	44.2	123.7
December	4,051.8	650.5	2,452.7	259.2	2,946.7	43.8	135.5

Note: From December 2015, data in this table excludes data for Charterhouse Bank, Chase Bank and Imperial Bank which were under receivership

NPLs - Non-performing Loans

Source: Central Bank of Kenya

DEVELOPMENTS IN THE BANKING SECTOR

Table 5.2: Trends in monthly flows through KEPSS

	Total value moved per month (KSh Bn.)		No. of transactions	Average value per transaction (KSh Mn.)	Days worked	Per day	
		Of which indirect {Net settlement instructions}				Value (KSh Bn.)	Number of Transactions
2015							
August	2,848	28	239,842	11.87	21	136	11,421
September	2,891	29	266,523	10.85	22	131	12,115
October	3,070	30	273,487	11.23	21	146	13,023
November	2,104	30	248,109	8.53	21	100	11,815
December	2,442	36	310,853	7.77	22	111	14,130
2016							
January	2,171	23	226,495	9.73	20	109	11,325
February	2,264	24	323,094	7.02	21	108	15,385
March	2,232	29	276,461	8.12	21	106	13,165
April	2,123	28	294,922	7.2	21	101	14,044
May	2,086	29	293,402	7.11	21	99	13,972
June	2,232	26	303,742	7.35	21	106	14,464
July	2,006	36	336,318	5.96	20	100	16,816
August	2,363	29	328,444	7.20	21	103	14,280
September	2,121	26	327,906	6.47	21	101	15,615
October	3,070	30	273,487	0.01	21	146	13,023
November	2,104	30	248,109	0.01	21	100	11,815
December	2,475	31	586,309	4.22	19	130	30,858
2017							
January	2,146	29	319,667	6.71	21	102	15,222
February	2,200	27	322,688	6.82	20	110	16,134
March	2,655	33	402,962	6.59	23	115	17,520
April	2,379	25	396,353	6	18	132	22,020
May	2,408	29	391,728	6.15	22	109	17,805
June	2,368	29	371,661	6.37	20	118	18,583
July	2,456	29	363,664	6.75	21	117	17,317
August	2,540	27	333,586	7.61	22	115	15,163
September	2,412	28	337,686	7.14	21	115	16,080
October	2,653	30	340,390	7.79	19	140	17,915
November	2,482	30	423,112	5.87	21	118	20,148
December	2,443	32	371,708	6.57	18	136	20,650

Source: Central Bank of Kenya

6. GOVERNMENT BUDGETARY OPERATIONS

Table 6.1 Composition of Government Revenue (KSh Billion)

FISCAL YEAR*	REVENUE AND GRANTS								
	TAX REVENUE							viii	ix=vii+viii
	i	ii	iii	iv	v= i+ii+iii+iv	vi	vii=v+vi	Grants	Total Revenue (Including Grants)
	Import Duty	Excise Duty	Income Tax	VAT	Tax Revenue	Non-Tax Revenue	Ordinary Revenue		
FY 2015/2016									
November	32.73	51.81	197.44	115.13	397.11	54.17	451.29	8.25	459.54
December	39.17	64.71	262.18	138.04	504.10	71.15	575.24	9.24	584.48
January	46.50	77.03	297.88	163.07	584.48	86.46	670.94	20.83	691.77
February	47.21	77.67	299.51	164.76	589.15	91.73	680.88	24.25	705.13
March	57.79	99.13	379.54	209.24	745.71	106.67	852.38	24.49	876.87
April	64.27	111.52	445.13	234.23	855.14	118.12	973.26	26.08	999.34
May	71.58	125.96	497.25	260.67	955.46	129.40	1,084.87	26.48	1,111.35
June	79.19	139.54	564.48	289.21	1,072.42	149.60	1,222.01	28.01	1,250.02
FY 2016/2017									
July	6.14	13.56	35.27	23.78	78.74	4.13	82.86	-	82.86
August	12.80	27.21	80.33	52.70	173.03	8.26	181.29	0.03	181.31
September	19.97	40.43	140.85	79.65	280.90	13.58	294.48	1.42	295.90
October	25.84	52.98	177.38	100.83	357.04	18.50	375.54	2.17	377.70
November	35.52	68.11	221.77	134.34	459.74	73.35	533.09	7.36	540.45
December	42.88	81.66	289.27	160.54	574.36	78.10	652.46	6.40	658.86
January	50.84	95.81	330.14	190.04	666.84	86.45	753.29	12.95	766.24
February	58.62	109.38	364.99	217.78	750.77	96.57	847.34	14.16	861.50
March	65.80	121.57	412.03	246.08	845.49	130.79	976.28	20.48	996.76
April	72.64	134.67	482.91	274.17	964.38	141.75	1,106.13	22.33	1,128.46
May	81.32	149.10	547.51	305.99	1,083.92	167.32	1,251.25	20.70	1,271.95
June	89.94	165.47	625.05	339.03	1,219.50	181.08	1,305.79	26.31	1,426.89
FY 2017/2018									
July	6.62	13.25	37.26	27.20	84.33	11.09	95.41	0.08	95.49
August	13.20	27.16	81.72	58.89	0.18	0.20	204.03	1.69	205.71
September	20.97	40.33	157.25	86.38	304.93	41.21	345.51	1.69	347.20
October	27.60	47.82	202.71	111.99	390.12	53.94	444.06	4.67	448.73
November	40.87	62.64	245.49	141.63	490.63	67.76	558.39	9.92	568.32
December	47.53	75.18	319.67	167.30	609.68	96.54	706.22	14.79	721.02

* Figures are cumulative from the beginning of the fiscal year in July.

Source: The National Treasury

GOVERNMENT BUDGETARY OPERATIONS

Table 6.2 Composition of Government Expenditure (KSh Billion)

FISCAL YEAR*	EXPENDITURE (COMMITMENT BASIS)								
	RECURRENT EXPENDITURE					i	ii	iii	iv=i+ii+iii
	Domestic Interest	Foreign Interest	Wages & Salaries	Pensions	Other	Total Recurrent Expenditure	Development Expenditure**	County Transfer	Total Expenditure
FY 2015/2016									
November	67.28	8.22	97.23	19.06	179.85	371.62	159.56	78.77	607.73
December	85.72	15.07	97.23	23.47	255.49	476.96	193.03	99.19	769.18
January	92.69	17.37	194.56	27.05	218.86	550.53	224.15	114.19	888.87
February	105.15	17.94	222.35	27.05	194.34	566.83	246.27	114.66	927.76
March	122.59	19.40	250.15	35.24	283.42	710.80	297.26	161.60	1,169.66
April	137.82	20.25	277.94	42.28	323.42	801.71	337.85	199.38	1,338.94
May	153.79	21.52	305.73	47.89	371.51	900.45	363.87	227.23	1,491.55
June	172.86	30.51	307.42	54.40	458.94	1,024.13	477.20	264.04	1,765.37
FY 2016/2017									
July	8.64	7.03	30.06	2.60	13.27	61.61	1.58	-	63.19
August	26.56	7.77	45.64	7.50	68.34	155.81	6.15	29.49	191.45
September	42.52	7.41	75.10	14.53	106.98	246.53	72.25	55.35	374.13
October	59.15	10.68	120.26	16.47	117.96	324.53	130.71	68.27	523.51
November	76.93	14.82	150.32	24.59	161.80	428.46	221.94	95.60	746.00
December	100.09	25.45	180.39	30.24	200.39	536.56	251.62	116.25	904.43
January	110.41	34.81	210.45	32.46	222.04	610.17	333.43	139.31	1,082.91
February	125.43	35.59	240.52	38.70	257.48	697.71	379.65	152.67	1,230.03
March	145.79	37.28	41.91	270.58	312.94	808.51	441.36	185.23	1,435.10
April	164.13	38.51	300.65	50.72	362.33	916.34	530.71	210.18	1,657.23
May	188.58	44.32	307.42	52.52	435.15	1,027.99	559.40	245.50	1,832.89
June	212.87	58.37	336.64	62.93	507.67	1,178.47	645.77	284.71	2,108.95
FY 2017/2018									
July	11.71	7.10	32.60	0.25	24.08	75.50	5.75	8.79	90.04
August	29.52	7.76	65.21	7.55	10.71	120.75	24.28	17.90	162.93
September	49.87	17.28	91.50	13.95	87.76	299.91	90.67	21.69	412.27
October	70.24	19.43	122.00	16.32	133.31	361.30	121.80	35.37	518.47
November	89.41	25.13	163.02	22.17	174.61	474.35	143.30	65.45	683.10
December	114.63	41.28	195.63	27.91	605.70	633.61	209.80	84.67	928.08

* Figures are cumulative from the beginning of the fiscal year in July.

**Includes Equalization fund

Source: The National Treasury

GOVERNMENT BUDGETARY OPERATIONS

Table 6.3: Government Deficit Financing^{\1}

FISCAL YEAR	GOVERNMENT DEFICIT FINANCING		
	i	ii	iii=i+ii
	Domestic	Foreign*	Total Financing
FY 2015/2016			
November	68.64	100.51	169.76
December	26.29	137.48	163.78
January	30.00	145.27	176.57
February	99.07	160.08	260.45
March	109.24	170.93	300.76
April	130.61	174.42	307.02
May	178.94	176.82	357.75
June	220.06	251.88	471.94
FY 2016/2017			
July	-3.84	6.00	2.15
August	36.24	5.10	41.34
September	49.43	36.29	85.72
October	81.16	48.18	129.34
November	107.72	97.60	205.32
December	164.61	105.49	270.10
January	146.49	173.51	320.49
February	171.79	202.65	375.22
March	154.67	295.82	451.38
April	164.75	352.22	516.98
May	202.63	383.84	586.47
June	310.96	385.75	696.70
FY 2017/2018			
July	57.10	-3.87	53.23
August	40.35	0.66	41.54
September	49.18	7.46	57.2
October	76.77	44.95	122.26
November	113.87	49.63	164.0
December	107.11	91.65	200.33

\1 Figures are cumulative from the beginning of the fiscal year in July.

Domestic debt is reported on gross basis.

*Includes public and publicly guaranteed foreign currency loans.

Source: The National Treasury and Central Bank of Kenya

7. PUBLIC DEBT

Table 7.1: Stock of Kenya's Public and Publicly Guaranteed Debt (KSh Billion)

	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	July-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17
EXTERNAL DEBT													
Bilateral	577.8	689.6	691.3	689.1	701.7	711.0	724.8	744.5	742.0	742.1	864.8	792.5	782.6
Multilateral	781.26	806.70	808.90	806.92	818.8	828.22	841.90	831.69	842.54	842.81	838.08	839.76	841.85
Commercial Banks	458.12	480.39	477.51	594.14	631.12	632.21	712.10	712.14	708.19	708.23	633.04	707.88	707.76
Export Credit	15.30	15.63	15.49	11.21	15.61	15.76	15.91	17.20	17.07	17.09	17.16	17.09	17.09
Sub-Total	1,832.45	1,992.30	1,993.17	2,101.39	2,167.25	2,187.22	2,294.74	2,305.54	2,309.78	2,310.20	2,353.12	2,357.23	2,349.28
(As a % of total debt)	48.69	51.26	51.17	51.93	52.26	51.67	52.07	52.05	51.96	51.49	51.81	51.40	51.41
DOMESTIC DEBT													
Banks	1,032.57	995.54	1,033.68	1,061.12	1,102.94	1,159.17	1,196.39	1,205.09	1,200.35	1,227.50	1,213.14	1,228.59	1,221.75
Central Bank	85.53	72.35	81.04	85.32	55.03	55.04	54.51	63.70	75.67	79.20	71.86	95.14	96.80
Commercial Banks	947.04	923.20	952.64	975.80	1,047.91	1,104.14	1,141.89	1,141.39	1,124.68	1,148.30	1,141.27	1,133.45	1,124.95
Non-banks	884.78	884.77	846.70	862.29	855.45	864.63	893.22	896.14	912.45	924.96	950.40	974.91	973.16
Pension Funds	544.86	543.66	539.45	549.17	543.49	574.04	593.52	575.71	586.09	592.71	609.16	615.84	611.25
Insurance Companies	143.21	143.61	137.04	138.90	137.51	140.90	138.92	130.13	133.25	134.73	136.38	139.52	142.66
Other Non-bank Sources	196.71	197.49	170.21	174.21	174.45	149.69	160.77	190.29	193.10	197.52	204.86	219.55	219.26
Non-residents	13.63	13.78	21.44	21.54	17.99	18.18	22.10	22.56	23.14	24.14	24.97	24.93	25.43
Sub-Total	1,930.98	1,894.09	1,901.82	1,944.95	1,979.87	2,045.47	2,111.71	2,123.79	2,135.93	2,176.59	2,188.51	2,228.43	2,220.35
(As a % of total debt)	51.31	48.74	48.83	48.07	47.74	48.33	47.93	47.95	48.04	48.51	48.19	48.60	48.59
GRAND TOTAL	3,763.43	3,886.39	3,894.99	4,046.35	4,147.12	4,232.70	4,406.11	4,429.33	4,445.71	4,486.79	4,541.63	4,585.66	4,569.63

Source: Central Bank of Kenya

PUBLIC DEBT

Table 7.2: Composition of Government Gross Domestic Debt by Instrument (KSh Billion)

	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	July-17	Aug-16	Sep-17	Oct-17	Nov-17	Dec-17
Treasury Bills*	645.1	619.5	634.0	640.2	651.3	708.5	768.0	764.6	745.5	748.6	759.7	727.9	708.6
Treasury Bonds	1,249.3	1,250.7	1,235.2	1,268.2	1,317.0	1,325.3	1,332.0	1,337.2	1,356.6	1,386.6	1,402.5	1,451.2	1,461.2
Overdraft at Central Bank	29.9	17.3	26.0	30.3	-	-	-	9.2	21.2	24.7	17.4	40.7	42.3
Advances from Commercial Banks	5.9	5.9	6.0	5.7	10.9	11.0	11.0	12.2	11.9	16.0	8.3	8.0	7.5
Other Domestic Debt** (TRCs and uncleared effects)	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7
Total Domestic Debt***	1,931.0	1,894.1	1,901.8	1,945.0	1,979.9	2,045.5	2,111.71	2,123.79	2,135.93	2,176.59	2,188.51	2,228.43	2,220.35

* The stock of Treasury bills includes Repo Treasury bills.

** Other domestic debt includes Items in transit, securities rediscounted and Tax Reserve Certificates (TRCs).

*** Gross domestic debt excludes IMF funds on-lent by CBK to Government, which are accounted for under External Debt.

Source: Central Bank of Kenya

8. CAPITAL MARKETS INDICATORS

Table 8.1: Selected Equity Market Indicators

INDICATOR	2017											
	Jan	Feb	Mar	Apr	May	June	July	August	Sep	October	Nov	Dec
NASI (2008=100) Points	122	125	131	133	148	153	156.30	169.16	162.21	161.99	173.08	171.20
NSE 25 Share Index	3,160	3,280	3,481	3,534	3,926	4,069	4,271.13	4,485.10	4,272.27	4,202.23	4,402.49	4,283.38
NSE 20 Share Index (1966=100) Points	2,794	2,995	3,113	3,158	3,441	3,607	3,700.44	4,027.12	3,751.46	3,729.62	3,815.61	3,711.00
Number of Shares Traded (Million)	572	651	637	446	697	749	823.00	640.00	556.72	314.00	524.00	451.00
Equities Turnover (KSh Million)	12,055	12,580	12,461	11,409	16,348	17,144	21,304.00	16,024.00	16,248.23	9,390.00	14,760.00	11,867.00
Market Capitalization (KSh Billion)	1,770	1,812	1,894	1,935	2,151	2,224	2,358.00	2,478.00	2,376.69	2,373.00	2,562.00	2,521.00

NASI - Nairobi all share index.

NSE 25 Share Index - Weighted Price Index calculated as a mean of the shares of 25 public, listed companies, selected based on a weighted market performance.

NSE 20 Share Index - Weighted Price Index calculated as a mean of the shares of 20 public, listed companies, selected based on a weighted market performance.

Source: Nairobi Securities Exchange

CAPITAL MARKETS INDICATORS

Table 8.2: Selected Bond Market Indicators

Period (Month)	Secondary Market						End Month Govt Bonds Turnover Ratio (Percent)	Primary Market		
	FTSE NSE Kenya Govt. Bond Index	Bond Volume (KSh Million)	Number of Deals	5-Year Eurobond Yield (%)	10-Year Eurobond Yield (%)	Most Traded		Bond	Offer (KSh Million)	Subscription Rate (Percent)
2016										
June	87.98	55,987.59	581	6.23	8.31	IFB1/2016/009	4.86	FXD 2/2016/2 & FXD 1/2012/15	30,000.00	169.36
July	90.87	21,223.24	301	5.78	7.50	FXD1/2012/010	1.87	FXD 2/2016/5 & FXD 1/2008/2016	30,000.00	133.33
August	88.05	26,792.75	373	5.05	7.07	IFB1/2016/009	2.25	FXD 1/2016/10	25,000.00	105.22
September	89.11	26,792.75	570	4.59	6.84	FXD1/2016/010	2.23	FXD 3/2016/5 & FXD 1/2016/20	25,000.00	225.81
October	89.66	35,302.73	653	4.45	6.87	IFB1/2016/015	2.87	IFB1/2016/15 & IFB1/2016/16 (Tap Sale)	40,000.00	106.30
November	90.22	35,091.83	641	5.08	7.26	IFB1/2016/015	2.80	FXD 3/2007/15 & FXD 1/2008/20	30,000.00	76.29
December	90.05	23,972.86	481	4.95	7.86	FXD1/2016/010	1.92	FXD 3/2016/2 (Reopen)	30,000.00	118.47
2017										
January	89.65	31,364.69	708	4.37	7.41	IFB1/2016/015	2.51	The auction for FXD2/2007/015 dated 30/01/2017 was cancelled		
February	89.64	20,202.92	753	4.38	7.28	FXD1/2016/020	1.64	IFB1/2017/12	30,000.00	116.78
March	89.73	52,429.77	1039	4.20	7.10	IFB1/2016/015	1.69	FXD2/2014/5 & FXD3/2013/5	30,000.00	214.16
April	89.96	29,452.17	548	4.21	6.89	IFB1/2016/015	2.24	FXD 3/2008/10 & FXD 1/2009/10	30,000.00	164.62
May	91.45	56,646.84	630	3.95	6.45	IFB1/2016/009	4.17	FXD2/2010/10 AND FXD1/2009/15 (Reopen), FXD2/2010/10 AND FXD1/2009/15	15,928.75 40,000.00	97.12
June	91.54	48,534.41	687.00	4.47	6.64	IFB1/2016/009	3.57	FXD 2/2007/15	30,000.00	130.24
July	91.61	35,783.66	1013	4.39	6.53	IFB1/2016/015	2.69	FXD1/2017/10	30,000.00	63.48
August	91.70	34,241.70	588	3.91	6.01	IFB1/2015/012	2.54	FXD 1/2017/5 & FXD 1/2017/10 (Reopen)	30,000.00	88.89
September	91.67	38,142.27	564.00	4.28	6.46	FXD1/2009/015	2.76	FXD 1/2017/5 (Tap) FXD 1/2017/2 & FXD 1/2017/10 (Reopen)	43,000.00	147.72
October	91.37	27,752.99	589	3.89	6.10	IFB1/2016/009	1.98	FXD 2/2017/5 & FXD2/2017/5 (Tap)	46,500.00	66.92
November	91.41	31,045.74	424.00	3.87	5.85	IFB1/2016/015	2.14	IFB1/2017/7	30,000.00	153.04
December	92.80	19,249.94	499	3.76	5.67	IFB1/2017/007	1.32	FXD 1/2008/15 & FXD 1/2017/10 (Reopen)	30,000.00	72.97

IFB - Infrastructure Bond issued to finance specific government infrastructure projects

FXD - Fixed Rate/Coupon Treasury Bond

Reopen - Issued and outstanding bond re-offered to the primary market at the current market yields

Bonds Turnover (Percent) - Volume of bonds traded as a ratio of the total outstanding volume of tradable bonds

Tap Sale - Issued at their original face value, maturity and coupon rate, and sold at the weighted average yield in the last auction of the same bond

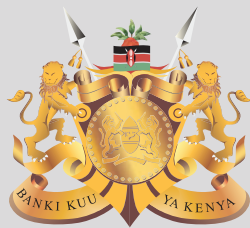
Source: Nairobi Securities Exchange and Central Bank of Kenya

CAPITAL MARKETS INDICATORS

Table 8.3: Foreign Investors Participation (KSh Millions)

Period (Month)	A Foreign Purchases (FP)	B Foreign Sales (FS)	C Equity Market Turnover (ET)	D=A/C FP to ET in Percent	E=B/C FS to ET in Percent	F=(D+E)/2 Average Foreign Participation to Equity Turnover in Percent
2015						
July	14,552	15,679	21,554	67.51	72.74	70.13
August	17,148	15,965	20,792	82.47	76.78	79.63
September	12,156	5,656	14,375	84.56	39.35	61.95
October	12,430	11,541	17,837	69.69	64.70	67.19
November	8,377	9,206	13,149	63.71	70.01	66.86
December	8,693	8,692	15,109	57.54	57.53	57.53
2016						
January	7,653	8,186	12,999	58.87	62.97	60.92
February	4,528	4,247	10,161	44.56	41.80	43.18
March	8,077	9,411	13,449	60.06	69.98	65.02
April	6,669	6,589	10,066	66.25	65.46	65.86
May	6,571	6,375	9,721	67.60	65.58	66.59
June	13,082	12,982	17,247	75.85	75.27	75.56
July	11,186	10,212	13,613	82.17	75.02	78.59
August	14,183	10,480	17,655	80.33	59.36	69.85
September	14,669	13,326	16,872	86.94	78.98	82.96
October	5,200	5,325	7,846	66.28	67.87	67.07
November	6,878	6,419	10,439	65.89	61.49	63.69
December	5,574	4,959	7,107	78.43	69.78	74.10
2017						
January	10,424	8,816	12,054	86.48	73.14	79.81
February	9,447	9,012	12,579	75.10	71.64	73.37
March	9,551	9,601	12,461	76.65	77.05	76.85
April	8,478	8,045	11,409	74.31	70.51	72.41
May	9,420	11,308	16,348	57.62	69.17	63.40
June	9,526	10,339	17,144	55.56	60.31	57.94
July	9,442	11,496	21,304	44.32	53.96	49.14
August	7,508	10,776	16,024	46.85	67.25	57.05
September	6,149	11,947	16,248	37.84	73.53	55.69
October	7,042	6,556	9,390	74.99	69.82	72.41
November	8,142	8,592	14,760	55.16	58.21	56.69
December	7,575	7,793	11,867	63.83	65.67	64.75

Source: Nairobi Securities Exchange



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