



**Central Bank of Kenya**

# **MONTHLY ECONOMIC INDICATORS**

November 2016



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## INFLATION

**Table 1.1 : Monthly Trends in Inflation**

	Overall 12 months inflation	Food Inflation	Fuel Inflation	Non-Food Non-Fuel Inflation (NFNF)	Average Annual	Three months annualised
2015						
January	5.53	7.38	4.53	3.51	6.74	4.05
February	5.61	8.33	3.32	3.43	6.63	6.16
March	6.31	10.32	2.87	3.16	6.63	9.09
April	7.08	12.54	1.53	3.53	6.69	14.44
May	6.87	12.42	0.28	4.15	6.65	16.06
June	7.03	12.55	0.24	4.63	6.63	12.32
July	6.62	11.42	0.57	4.67	6.54	4.81
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

Food inflation comprise of “food and non-alcoholic beverages”, and “hotels and restaurants” categories of the CPI basket; and fuel inflation comprise “transport” and “housing, water, electricity, gas and other fuels” categories of the CPI basket; NFNF excludes food and fuel inflation

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

## INFLATION

**Table 1.2: Month-on -Month Contribution to Overall Inflation**

	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
<b>2015</b>													
January	3.08	0.03	0.29	0.70	0.25	0.13	0.48	-0.00	0.06	0.12	0.23	0.16	5.53
February	3.49	0.03	0.30	0.56	0.24	0.12	0.30	0.00	0.06	0.10	0.24	0.16	5.61
March	4.41	0.03	0.28	0.49	0.22	0.10	0.24	-0.00	0.06	0.09	0.23	0.16	6.31
April	5.44	0.04	0.29	0.48	0.24	0.11	-0.08	0.01	0.06	0.10	0.24	0.16	7.08
May	5.37	0.04	0.31	0.41	0.24	0.14	-0.33	0.02	0.07	0.10	0.27	0.21	6.87
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
<b>2016</b>													
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

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

## INFLATION

**Table 1.3: Overall Inflation Across Income Groups (Percent)**

	Nairobi Upper Income	Nairobi Middle Income	Nairobi Lower Income	Nairobi Combined
<b>2015</b>				
January	2.05	3.22	4.83	4.38
February	1.74	3.23	5.22	4.66
March	1.81	3.24	6.32	5.48
April	1.90	3.39	7.49	6.39
May	1.89	3.76	6.98	6.09
June	1.77	4.63	7.32	6.53
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
<b>2016</b>				
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

*Source: Kenya National Bureau of Statistics*

## INFLATION

**TABLE 1.4: REGIONAL AND OVERALL INFLATION (Percent)**

	Nairobi	Rest of Kenya	Kenya
<b>2015</b>			
January	4.38	6.32	5.53
February	4.66	6.26	5.61
March	5.48	6.88	6.31
April	6.39	7.55	7.08
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
<b>2016</b>			
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

*Source: Kenya National Bureau of Statistics*

## MONEY, CREDIT AND INTEREST RATES

### TABLE 2.1: MONEY SUPPLY AND ITS SOURCES (KSH BILLION)

COMPONENTS OF M3	2015		2016										
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
<b>1. Money supply, M1 (1.1+1.2+1.3)</b>	<b>1,026.0</b>	<b>1,023.7</b>	<b>1,044.5</b>	<b>1,039.7</b>	<b>1,076.8</b>	<b>1,101.1</b>	<b>1,113.8</b>	<b>1,131.3</b>	<b>1,107.6</b>	<b>1,112.4</b>	<b>1,236.7</b>	<b>1,272.1</b>	<b>1,285.8</b>
1.1 Currency outside banks	182.3	191.0	183.2	183.5	183.6	190.3	182.2	188.2	191.6	189.5	187.0	196.0	197.0
1.2 Demand deposits	781.1	771.7	808.2	812.1	839.0	853.1	859.5	878.9	852.1	844.3	977.8	1,010.7	1,025.6
1.3 Other deposits at CBK \1	62.3	60.7	53.1	44.1	54.1	57.6	72.1	64.3	63.9	78.6	71.9	65.3	63.2
<b>2. Money supply, M2 (1+2.1)</b>	<b>2,191.7</b>	<b>2,234.8</b>	<b>2,202.1</b>	<b>2,231.2</b>	<b>2,262.7</b>	<b>2,286.0</b>	<b>2,298.5</b>	<b>2,330.7</b>	<b>2,296.9</b>	<b>2,304.4</b>	<b>2,320.8</b>	<b>2,332.1</b>	<b>2,330.6</b>
2.1 Time and saving deposits	1,165.7	1,211.1	1,157.5	1,191.5	1,185.9	1,185.0	1,184.7	1,199.4	1,189.2	1,192.0	1,084.1	1,060.1	1,044.8
<b>3. Money supply, M3 (2+3.1)</b>	<b>2,604.5</b>	<b>2,658.2</b>	<b>2,613.7</b>	<b>2,627.4</b>	<b>2,662.6</b>	<b>2,691.7</b>	<b>2,708.8</b>	<b>2,753.6</b>	<b>2,713.0</b>	<b>2,739.0</b>	<b>2,761.8</b>	<b>2,750.4</b>	<b>2,767.1</b>
3.1 Foreign Currency Deposits	412.8	423.4	411.6	396.2	399.9	405.7	410.3	422.8	416.1	434.6	441.0	418.3	436.6
<b>SOURCES OF M3</b>													
<b>1. Net foreign assets \2</b>	<b>445.9</b>	<b>491.5</b>	<b>473.2</b>	<b>456.9</b>	<b>471.4</b>	<b>502.8</b>	<b>509.1</b>	<b>558.4</b>	<b>554.0</b>	<b>575.5</b>	<b>591.9</b>	<b>574.1</b>	<b>562.0</b>
Central Bank	580.6	621.4	615.1	619.1	640.8	664.8	664.6	690.4	683.2	681.5	687.2	678.3	645.0
Banking Institutions	-134.7	-129.9	-141.9	-162.2	-169.3	-162.0	-155.5	-132.0	-129.3	-106.0	-95.3	-104.2	-82.9
<b>2. Net domestic assets (2.1+2.2)</b>	<b>2,158.6</b>	<b>2,166.7</b>	<b>2,140.5</b>	<b>2,170.6</b>	<b>2,191.2</b>	<b>2,188.9</b>	<b>2,199.6</b>	<b>2,195.2</b>	<b>2,159.0</b>	<b>2,163.5</b>	<b>2,169.9</b>	<b>2,176.3</b>	<b>2,205.1</b>
2.1 Domestic credit	2,818.9	2,793.9	2,774.0	2,841.3	2,823.7	2,816.3	2,853.1	2,856.5	2,827.6	2,822.6	2,851.8	2,837.9	2,894.5
2.1.1 Government (net)	567.3	524.0	501.0	569.1	543.6	530.0	561.6	560.8	516.7	511.1	517.3	499.8	531.9
2.1.2 Private sector	2,200.7	2,220.0	2,223.3	2,222.5	2,230.6	2,237.7	2,243.1	2,245.3	2,258.5	2,260.6	2,283.9	2,282.2	2,300.3
2.1.3 Other public sector	50.9	49.8	49.6	49.7	49.4	48.6	48.4	50.5	52.4	50.9	50.6	55.9	62.2
2.2 Other assets net	-660.4	-627.2	-633.4	-670.8	-632.5	-627.4	-653.5	-661.3	-668.6	-659.1	-681.8	-661.6	-689.4
<b>Memorandum Items</b>													
2. Reserve money	391.1	392.4	381.9	383.9	401.9	385.0	390.4	390.1	399.7	392.6	392.8	401.8	393.1
Bank reserves	208.7	201.5	198.9	200.6	218.5	194.9	208.5	202.2	208.4	203.5	206.2	206.1	196.6
<b>4. Overall liquidity, L (3+4.1)</b>	<b>3,331.8</b>	<b>3,390.8</b>	<b>3,350.9</b>	<b>3,380.3</b>	<b>3,430.1</b>	<b>3,470.7</b>	<b>3,514.7</b>	<b>3,589.7</b>	<b>3,568.3</b>	<b>3,604.4</b>	<b>3,634.6</b>	<b>3,652.5</b>	<b>3,696.5</b>
4.1 Non-bank holdings of government securities	727.3	732.7	737.2	752.8	767.5	779.0	805.9	836.1	855.3	865.5	872.8	902.1	929.4
<b>ANNUAL GROWTH RATE (Percent)</b>													
COMPONENTS OF M3	2015		2016										
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
<b>1. Money supply, M1 (1.1+1.2+1.3)</b>	<b>9.1</b>	<b>9.3</b>	<b>11.2</b>	<b>9.8</b>	<b>10.9</b>	<b>10.1</b>	<b>12.4</b>	<b>13.0</b>	<b>8.9</b>	<b>9.6</b>	<b>26.2</b>	<b>24.4</b>	<b>25.3</b>
1.1 Currency outside banks	9.2	10.2	7.6	6.7	7.2	9.3	4.0	7.4	5.7	5.7	6.9	7.8	8.0
1.2 Demand deposits	10.8	9.1	14.9	12.6	12.7	13.2	13.6	13.4	10.9	8.8	29.3	28.9	31.3
1.3 Other deposits at CBK \1	-8.6	9.5	-19.2	-17.8	-1.7	-19.9	21.8	28.1	-4.7	31.7	48.2	15.7	1.5
<b>2. Money supply, M2 (1+2.1)</b>	<b>12.2</b>	<b>12.8</b>	<b>10.8</b>	<b>9.8</b>	<b>10.5</b>	<b>9.5</b>	<b>9.5</b>	<b>8.9</b>	<b>7.2</b>	<b>6.6</b>	<b>8.8</b>	<b>6.9</b>	<b>6.3</b>
2.1 Time and saving deposits	14.7	15.3	9.8	9.3	10.3	9.0	6.9	5.3	5.7	4.0	-6.0	-8.6	-10.4
<b>3. Money supply, M3 (2+3.1)</b>	<b>13.5</b>	<b>14.1</b>	<b>11.2</b>	<b>9.1</b>	<b>11.0</b>	<b>9.2</b>	<b>8.3</b>	<b>7.9</b>	<b>6.4</b>	<b>6.6</b>	<b>8.1</b>	<b>6.8</b>	<b>6.2</b>
3.1 Foreign Currency Deposits	20.8	21.6	13.4	5.3	13.6	7.5	1.9	2.3	2.3	6.3	4.3	6.6	5.8
<b>COUNTERPARTS OF M3</b>													
<b>1. Net foreign assets \2</b>	<b>6.4</b>	<b>2.5</b>	<b>0.2</b>	<b>-6.1</b>	<b>2.0</b>	<b>7.8</b>	<b>13.8</b>	<b>28.2</b>	<b>34.2</b>	<b>42.2</b>	<b>52.0</b>	<b>31.5</b>	<b>26.0</b>
1.1 Central Bank	9.9	5.5	8.3	7.7	12.5	18.2	17.2	22.2	22.4	22.2	29.8	14.9	11.1
1.2 Banking Institutions	23.1	19.0	48.4	84.0	57.3	68.2	29.9	1.9	-10.9	-30.7	-31.9	-32.3	-38.4
<b>2. Net domestic assets (2.1+2.2)</b>	<b>15.1</b>	<b>17.1</b>	<b>13.9</b>	<b>13.0</b>	<b>13.1</b>	<b>9.5</b>	<b>7.1</b>	<b>3.7</b>	<b>1.1</b>	<b>-0.1</b>	<b>0.1</b>	<b>1.8</b>	<b>2.2</b>
2.1 Domestic credit	20.4	20.8	18.9	17.6	15.5	13.0	11.5	8.2	3.8	1.7	2.4	2.2	2.7
2.1.1 Government (net)	30.3	38.2	29.8	24.7	15.7	11.0	14.7	7.4	-8.7	-11.8	-6.5	-8.0	-6.2
2.1.2 Private sector	18.7	18.0	17.0	16.0	15.5	13.5	11.1	8.6	7.1	5.4	4.8	4.5	4.5
2.1.3 Other public sector	-2.3	-4.3	5.3	13.6	12.7	11.1	-2.1	4.0	7.2	1.3	-2.2	10.9	22.3
2.2 Other assets net	42.1	35.8	39.5	35.6	24.6	27.0	29.5	26.8	13.7	8.0	10.2	3.6	4.4
<b>Memorandum items</b>													
2. Reserve money	19.8	3.4	9.1	9.2	16.1	9.0	7.6	4.9	4.3	6.8	4.3	-7.4	0.5
Bank reserves	30.9	-2.4	10.5	11.5	24.9	8.9	11.1	2.8	3.1	8.1	2.2	-18.2	-5.8
<b>4. Overall liquidity, L (3+4.1)</b>	<b>14.0</b>	<b>15.0</b>	<b>12.3</b>	<b>11.5</b>	<b>13.0</b>	<b>12.0</b>	<b>11.9</b>	<b>12.3</b>	<b>10.3</b>	<b>10.8</b>	<b>12.5</b>	<b>11.2</b>	<b>10.9</b>
4.1 Non-bank holdings of government securities	15.7	18.3	16.5	20.5	20.7	22.9	26.3	29.9	24.9	26.9	29.2	27.1	27.8

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)**

	2015		2016										
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
<b>1. Credit to Government</b>	<b>567.3</b>	<b>524.0</b>	<b>501.0</b>	<b>569.1</b>	<b>543.6</b>	<b>530.0</b>	<b>561.6</b>	<b>560.8</b>	<b>516.7</b>	<b>511.1</b>	<b>517.3</b>	<b>499.8</b>	<b>531.9</b>
Central Bank	-9.1	-43.6	-61.7	-46.7	-80.8	-108.9	-115.3	-154.7	-184.2	-179.4	-189.9	-207.7	-189.8
Commercial Banks & NBFIs	576.4	567.7	562.7	615.8	624.4	638.8	677.0	715.5	700.9	690.5	707.2	707.5	721.7
<b>2. Credit to other public sector</b>	<b>50.9</b>	<b>49.8</b>	<b>49.6</b>	<b>49.7</b>	<b>49.4</b>	<b>48.6</b>	<b>48.4</b>	<b>50.5</b>	<b>52.4</b>	<b>50.9</b>	<b>50.6</b>	<b>55.9</b>	<b>62.2</b>
County government	1.2	1.1	1.0	0.8	0.8	0.8	1.0	0.1	0.9	1.0	0.9	1.0	1.0
Parastatals	49.7	48.7	48.6	48.9	48.7	47.8	47.4	50.3	51.5	49.9	49.7	54.9	61.2
<b>3. Credit to private sector</b>	<b>2,200.7</b>	<b>2,220.0</b>	<b>2,223.3</b>	<b>2,222.5</b>	<b>2,230.6</b>	<b>2,237.7</b>	<b>2,243.1</b>	<b>2,245.3</b>	<b>2,258.5</b>	<b>2,260.6</b>	<b>2,283.9</b>	<b>2,282.2</b>	<b>2,300.3</b>
Agriculture	89.1	85.9	94.1	95.4	94.6	93.3	97.1	97.8	98.6	95.5	95.0	91.5	94.1
Manufacturing	290.9	290.1	295.3	299.9	304.5	303.0	303.5	306.0	309.2	279.9	280.1	275.5	279.6
Trade	307.8	378.0	321.4	322.9	326.9	338.1	333.6	331.0	334.8	348.5	356.0	340.8	361.3
Building and construction	111.0	106.3	105.7	98.1	100.9	102.0	100.7	101.5	101.0	104.4	104.8	105.1	104.5
Transport & communications	179.6	171.6	186.0	184.7	183.2	184.2	182.5	183.0	185.7	193.8	195.4	200.7	199.7
Finance & insurance	82.6	61.0	84.4	86.0	84.8	88.3	87.4	88.7	92.3	86.6	89.9	86.6	88.1
Real estate	306.1	282.6	308.1	310.4	313.0	319.5	318.2	323.2	319.8	326.2	329.6	329.7	333.5
Mining and quarrying	21.6	20.8	20.3	21.3	22.7	22.6	23.9	23.6	24.1	16.2	16.1	14.8	17.0
Private households	351.0	363.9	355.1	355.8	357.9	359.9	358.8	358.3	354.2	374.6	371.6	370.0	389.5
Consumer durables	125.4	128.5	126.5	125.7	125.6	123.8	123.4	125.1	126.7	136.6	171.4	175.2	136.9
Business services	185.9	204.9	184.5	186.3	188.0	180.6	189.7	183.7	184.1	170.8	172.2	186.9	171.0
Other activities	149.7	126.4	141.9	135.9	128.7	122.5	124.3	123.3	128.0	127.6	101.7	105.5	125.1
<b>4. TOTAL (1+2+3)</b>	<b>2,818.9</b>	<b>2,793.9</b>	<b>2,774.0</b>	<b>2,841.3</b>	<b>2,823.7</b>	<b>2,816.3</b>	<b>2,853.1</b>	<b>2,856.5</b>	<b>2,827.6</b>	<b>2,822.6</b>	<b>2,851.8</b>	<b>2,837.9</b>	<b>2,894.5</b>

**ANNUAL GROWTH RATE (Percent)**

	2015		2016										
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
<b>1. Credit to Government</b>	<b>30.3</b>	<b>38.2</b>	<b>29.8</b>	<b>24.7</b>	<b>15.7</b>	<b>11.0</b>	<b>14.7</b>	<b>7.4</b>	<b>-8.7</b>	<b>-11.8</b>	<b>-6.5</b>	<b>-8.0</b>	<b>-6.2</b>
Central Bank	-83.2	-52.6	-41.5	-12.4	31.9	53.9	95.1	570.1	-759.9	-443.9	-507.0	1,519.6	1,991.3
Commercial Banks & NBFIs	17.8	20.4	14.5	20.8	17.6	16.5	23.4	31.3	30.3	30.9	39.6	27.2	25.2
<b>2. Credit to other public sector</b>	<b>-2.3</b>	<b>-4.3</b>	<b>5.3</b>	<b>13.6</b>	<b>12.7</b>	<b>11.1</b>	<b>-2.1</b>	<b>4.0</b>	<b>7.2</b>	<b>1.3</b>	<b>-2.2</b>	<b>10.9</b>	<b>22.3</b>
Local government	705.6	313.8	197.3	356.1	341.2	372.7	223.6	-60.5	124.4	-15.5	-22.3	-13.6	-11.8
Parastatals	-4.4	-6.1	3.8	12.3	11.5	9.7	-3.5	4.3	6.3	1.7	-1.8	11.5	23.1
<b>3. Credit to private sector</b>	<b>18.7</b>	<b>18.0</b>	<b>17.0</b>	<b>16.0</b>	<b>15.5</b>	<b>13.5</b>	<b>11.1</b>	<b>8.6</b>	<b>7.1</b>	<b>5.4</b>	<b>4.8</b>	<b>4.5</b>	<b>4.5</b>
Agriculture	12.5	14.6	20.1	23.5	26.8	23.5	28.3	20.9	12.2	5.8	6.7	6.6	5.5
Manufacturing	20.8	22.2	16.1	18.8	24.4	18.3	15.1	16.1	15.7	2.2	0.4	-2.0	-3.9
Trade	22.2	23.2	25.9	23.1	1.6	0.9	-2.1	-7.3	-7.4	-5.5	-5.6	-8.3	17.4
Building and construction	34.0	32.2	25.0	20.0	26.5	26.2	19.3	15.9	12.8	11.2	4.0	-3.1	-5.8
Transport & communications	32.3	31.7	28.9	26.3	30.8	28.5	25.5	22.8	21.7	26.3	22.9	23.5	11.2
Finance & insurance	28.5	21.2	19.4	18.0	64.2	70.1	58.7	59.3	65.3	48.5	58.0	52.7	6.7
Real estate	10.6	7.6	6.2	7.4	22.8	23.5	17.7	20.2	17.0	18.3	18.1	18.8	8.9
Mining and quarrying	-22.8	-11.3	-9.3	1.7	12.5	5.3	3.2	-1.6	-4.5	-32.8	-33.6	-36.4	-21.3
Private households	16.7	13.8	15.1	12.7	7.3	7.3	5.1	2.6	0.1	4.0	2.7	2.4	11.0
Consumer durables	15.3	14.3	16.0	13.2	11.7	9.1	9.3	-0.1	-0.0	6.4	33.0	35.9	9.2
Business services	19.3	20.9	17.8	19.6	3.6	-2.2	1.6	-2.3	-5.2	-13.5	-13.4	-7.1	-8.0
Other activities	14.6	11.9	8.2	-0.4	11.3	7.1	3.5	3.3	5.6	5.2	-18.9	-15.3	-16.5
<b>4. TOTAL (1+2+3)</b>	<b>20.4</b>	<b>20.8</b>	<b>18.9</b>	<b>17.6</b>	<b>15.5</b>	<b>13.0</b>	<b>11.5</b>	<b>8.2</b>	<b>3.8</b>	<b>1.7</b>	<b>2.4</b>	<b>2.2</b>	<b>2.7</b>

Source: Central Bank of Kenya



## MONEY, CREDIT AND INTEREST RATES

**TABLE 2.3: INTEREST RATES (Percent)**

	CBK Rates					Government Tbill Rates			Commercial bank rates				
	Repo	Inter-bank	CBR	CRR	KBRR	91-days	182 days	364 days	De-posit	Sav-ings	Lend-ing	Over-draft	
	7 days	3 days											
<b>2015</b>													
January	8.09		7.12	8.50	5.25	8.54	8.59	10.19	10.73	6.65	1.58	15.93	15.95
February	7.87		6.77	8.50	5.25	8.54	8.59	10.37	10.96	6.68	1.53	15.47	15.67
March	8.08		6.85	8.50	5.25	8.54	8.49	10.35	10.69	6.63	1.53	15.46	15.68
April	8.38		8.77	8.50	5.25	8.54	8.42	10.26	10.57	6.60	1.90	15.40	15.52
May	8.50		11.17	8.50	5.25	8.54	8.26	10.37	10.77	6.55	1.48	15.26	15.10
June	9.70		11.78	10.00	5.25	8.54	8.26	10.55	10.98	6.64	1.85	16.06	15.67
July	10.61		12.89	11.50	5.25	9.87	10.57	11.99	11.93	6.31	1.37	15.75	16.05
August	11.50	11.50	18.80	11.50	5.25	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	5.25	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	5.25	9.87	21.65	21.52	21.61	7.54	1.68	16.58	16.81
November			8.77	11.50	5.25	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	5.25	9.87	9.81	11.43	12.50	8.02	1.56	18.30	18.48
<b>2016</b>													
January	8.85	-	6.37	11.50	5.25	9.87	11.36	13.46	14.08	7.57	1.56	18.00	18.45
February	9.68	3.50	4.53	11.50	5.25	9.87	10.63	13.19	13.74	7.49	1.40	17.91	18.25
March	4.31	-	4.05	11.50	5.25	9.87	8.72	10.83	12.26	7.17	1.35	17.87	18.14
April	5.23	-	3.94	11.50	5.25	9.87	8.92	10.87	11.84	6.89	1.49	18.04	18.08
May	6.00	-	3.66	10.50	5.25	9.87	8.15	10.25	11.60	6.44	1.59	18.22	18.20
June	10.04	-	4.92	10.50	5.25	9.87	7.25	9.56	10.84	6.78	1.60	18.18	18.09
July	9.76	4.14	5.60	10.50	5.25	8.90	7.41	9.79	10.88	6.64	1.67	18.10	17.84
August	7.86	-	4.98	10.50	5.25	8.90	8.48	10.837	11.66	6.42	1.68	17.71	17.96
September			4.89	10.00	5.25	8.90	8.06	10.847	11.03	6.91	3.79	13.84	13.60
October			4.12	10.00	5.25	8.90	7.76	10.322	10.42	7.82	6.08	13.65	13.46
November	7.05		4.76	10.00	5.25	8.90	8.22	10.322	10.74	7.65	6.13	14.31	13.97
<b>CBK</b> Central Bank of Kenya													
<b>CBR</b> Central Bank Rate													
<b>KBRR</b> Kenya Bank's Reference Rate													
<b>CRR</b> Cash reserve ratio													
<b>REPO</b> Repurchase Agreement													
<i>Source: Central Bank of Kenya</i>													

## REAL SECTOR INDICATORS

**TABLE 3.1: SELECTED INDICATORS OF ECONOMIC ACTIVITY**

	2015		2016										
	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
<b>Agriculture</b>													
Horticulture, exports ('000 tonnes)	19	22	34	36	42	40	28	23	25	30	29	24	31
Fresh vegetables	8	9	19	21	20	20	9	9	11	16	15	13	12
Fruits and nuts	3	4	5	5	9	10	8	5	6	6	4	4	5
Cut flowers	8	9	11	10	13	10	12	8	8	8	10	8	14
Horticulture, exports (KSh Millions)	5,247	5,352	7,265	6,966	8,623	7,604	7,107	6,039	6,259	6,616	6,821	5,481	8,113
Fresh vegetables	1,924	1,792	2,957	2,580	2,763	2,695	1,787	1,747	1,847	2,064	2,049	1,597	2,221
Fruits and nuts	658	686	771	736	1,296	1,451	1,453	1,331	1,542	1,774	1,245	1,297	1,328
Cut flowers	2,665	2,875	3,536	3,651	4,564	3,458	3,868	2,962	2,869	2,778	3,527	2,587	4,563
Tea, production (tonnes)	40,382	46,387	50,308	43,969	45,330	37,571	36,573	35,603	29,285	29,462	36,785	41,340	N/A
Coffee, sales (tonnes)	1,268	1,282	3,432	5,220	6,835	4,513	4,735	1,747	568.89**	3,723	3,284	1,573	N/A
Cane, deliveries ('000 tonnes)	497	566	646	609	748	577	521	630	614	557	564	N/A	N/A
Milk intake, formal sector (million litres)	68	59	57	53	49	54	50	48	59	56		N/A	
<b>Manufacturing</b>													
Cement, production (tonnes)	510,747	486,306	532,729	533,773	540,792	535,147	552,199	511,700	540,192	552,559	518,020	517,805	N/A
Assembled vehicles, production (units)	972	496	363	587	650	658	642	482	491	605	623	N/A	N/A
Sugar, production (tonnes)	43,401	48,089	64,499	59,863	65,708	48,802	45,156	53,797	56,948	52,232	44,686	N/A	N/A
Soft drinks, production (million litres)	39,297	44,467	37,597	37,778	43,454	37,244	34,935	38,801	35,769	39,316	N/A	N/A	N/A
<b>Electricity</b>													
Electricity, generation (million KWH)	782	786	808	784	830	800	830	803	840	846	821	856	842
Hydro	300	307	322	297	335	303	334	348	337	364	349	357	315
Geo-thermal	393	387	392	392	383	394	403	342	393	345	335	364	369
Thermal	89	92	93	95	112	102	92	113	110	138	137	135	158
<b>Construction</b>													
Cement, consumption (tonnes)	480,641	455,345	471,457	508,874	492,764	505,012	512,471	478,452	509,895	520,713	494,165	497,014	N/A
Electricity, consumption (million KWH)	672	665	710	673	713	708	736	751	704	729	680	735	733
<b>Transport and Storage</b>													
Petroleum consumption ('000 MT)	350	371	385	414	447	426	411	390	382	441	511	479	N/A
Visitor arrivals (Actual no.)	61,340	59,085	74,838	72,839	58,547	55,180	62,872	68,633	89,561	96,958	75,630	N/A	N/A
JKIA - Nairobi	53,622	50,015	65,431	62,856	49,996	51,311	59,294	64,451	81,729	87,141	67,249	N/A	N/A
MIA - Mombasa	7,718	9,070	9,407	9,983	8,551	3,869	3,578	4,182	7,832	9,817	8,381	N/A	N/A
<b>Fuel Prices (Average Retail)</b>													
Crude oil price (US\$ per barrel)	44	37	30	33	38	42	47	49	45	49	46	51	46
Premium fuel (KSh per Litre)	91	91	90	87	86	82	85	87	94	96	92	92	96
Diesel Oil (KSh per Litre)	81	79	78	69	67	67	71	75	84	85	83	83	83
Kerosene (KSh per Litre)	56	54	47	41	43	45	48	59	62	63	60	60	63
L.P.G (KSh per 13Kg)	2,387	2,369	2,344	2,318	2,277	2,268	2,253	2,231	2,098	2,079	2,029	1,990	1,988
Charcoal (KSh per 4Kg tin)	78	78	79	79	78	79	79	79	79	79	79	79	79

\*\*The Nairobi Coffee Exchange was in recess in June/July 2016.

N/A Data not available

Source: Kenya National Bureau of Statistics

## BALANCE OF PAYMENTS AND EXTERNAL SECTOR INDICATORS

**TABLE 4.1 : ANALYTICAL BALANCE OF PAYMENT STATEMENT CUMULATIVE FLOWS (USD Millions)**

Cumulative 12 months 1/													
BPM6 Concept	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16
<b>A. Current Account, n.i.e.</b>	<b>-4,629.9</b>	<b>-4,321.9</b>	<b>-3,998.7</b>	<b>-3,766.7</b>	<b>-3,706.2</b>	<b>-3,639.5</b>	<b>-3,444.0</b>	<b>-3,534.6</b>	<b>-3,522.0</b>	<b>-3,772.6</b>	<b>-3,709.2</b>	<b>-3,861.4</b>	<b>-3,617.9</b>
Goods: exports f.o.b.	5,947.4	5,985.1	6,002.5	6,050.0	6,060.8	6,093.1	6,109.6	6,098.5	5,984.4	5,909.6	5,890.3	5,797.0	5,807.9
Goods: imports f.o.b.	15,845.4	15,562.6	15,212.7	14,972.5	14,855.4	14,698.6	14,358.8	14,312.6	14,054.5	14,127.1	14,039.6	13,953.1	13,632.7
Services: credit	4,547.2	4,495.6	4,440.8	4,438.0	4,383.1	4,318.8	4,197.1	4,166.7	4,147.6	4,090.6	4,139.9	4,094.7	4,059.0
Services: debit	2,219.7	2,166.6	2,187.0	2,250.7	2,294.8	2,343.1	2,401.3	2,452.4	2,492.1	2,582.9	2,655.0	2,692.0	2,721.8
Balance on goods and services	-7,570.6	-7,248.5	-6,956.4	-6,735.2	-6,706.2	-6,629.7	-6,453.3	-6,499.8	-6,414.7	-6,709.7	-6,664.4	-6,753.4	-6,487.5
Primary income: credit	310.1	310.0	316.2	318.3	323.6	327.0	331.6	335.2	340.3	343.7	347.8	349.9	354.1
Primary income: debit	800.3	815.5	803.4	780.8	768.4	742.5	707.2	751.0	788.9	760.3	717.3	708.1	695.3
Balance on goods, services, and primary income	-8,060.8	-7,754.0	-7,443.6	-7,197.6	-7,151.1	-7,045.2	-6,829.0	-6,915.7	-6,863.3	-7,126.4	-7,033.9	-7,111.6	-6,828.7
Secondary income, n. i. e.: credit	3,495.4	3,495.7	3,507.5	3,495.8	3,510.3	3,467.0	3,443.5	3,438.1	3,396.6	3,407.2	3,375.7	3,299.5	3,258.1
Secondary income: debit	64.5	63.6	62.6	64.8	65.4	61.3	58.5	56.9	55.3	53.3	51.0	49.3	47.3
<b>B. Capital Account, n.i.e.</b>	<b>252.2</b>	<b>256.9</b>	<b>336.9</b>	<b>364.3</b>	<b>324.2</b>	<b>328.5</b>	<b>319.9</b>	<b>284.0</b>	<b>271.8</b>	<b>256.6</b>	<b>236.8</b>	<b>222.9</b>	<b>256.1</b>
Capital account, n.i.e.: credit	252.2	256.9	336.9	364.3	324.2	328.5	319.9	284.0	271.8	256.6	236.8	222.9	256.1
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
<b>C. Financial Account, n.i.e.</b>	<b>-5,677.6</b>	<b>-5,070.2</b>	<b>-5,549.8</b>	<b>-6,047.0</b>	<b>-5,364.0</b>	<b>-5,349.5</b>	<b>-5,301.6</b>	<b>-5,743.4</b>	<b>-5,950.2</b>	<b>-5,899.1</b>	<b>-6,446.7</b>	<b>-6,328.7</b>	<b>-6,704.2</b>
Direct investment: assets	392.1	398.2	382.3	367.8	352.6	335.5	323.0	314.8	302.0	290.4	285.7	277.7	270.3
Direct investment: liabilities, n.i.e.	1,480.5	1,485.8	1,448.8	1,445.6	1,345.1	1,231.8	1,152.2	1,046.9	960.3	855.2	746.1	625.2	535.4
Portfolio investment: assets	182.6	190.5	189.9	126.7	124.5	124.2	83.7	50.5	54.0	54.1	147.8	211.3	302.3
Equity and investment fund shares	10.3	10.0	9.7	8.5	8.2	8.4	6.8	7.6	11.7	12.7	109.4	174.4	275.6
Debt securities	172.3	180.5	180.2	118.3	116.2	115.7	76.9	42.9	42.3	41.4	38.4	36.9	26.7
Portfolio investment: liabilities, n.i.e.	923.0	34.2	101.3	145.2	211.4	210.6	280.1	336.0	423.0	527.4	638.4	685.4	745.8
Equity and investment fund shares	88.1	9.3	71.7	115.7	177.0	176.2	245.8	305.3	392.5	497.7	610.3	658.2	723.3
Debt securities	834.9	24.8	29.6	29.5	34.4	34.4	34.2	30.7	30.4	29.7	28.1	27.3	22.5
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	631.7	486.1	192.1	-124.1	-51.2	-146.6	-188.1	42.7	2.8	11.5	283.5	306.2	275.0
Other investment: liabilities, n.i.e.	4,480.6	4,625.0	4,763.9	4,826.6	4,233.4	4,220.1	4,088.0	4,768.5	4,925.8	4,872.5	5,779.2	5,813.3	6,270.6
Other debt instruments	4,480.6	4,625.0	4,763.9	4,826.6	4,233.4	4,220.1	4,088.0	4,768.5	4,925.8	4,872.5	5,779.2	5,813.3	6,270.6
Deposit-taking corporations, except the central bank	665.3	481.2	476.9	444.2	380.8	366.2	59.0	-31.9	-207.5	-482.0	-167.7	-242.6	-295.4
General government	1,373.2	1,773.2	1,912.4	1,962.6	1,386.7	1,406.4	1,467.6	2,205.7	2,322.3	2,259.4	2,436.6	2,281.9	2,448.8
Other sectors	2,368.8	2,372.8	2,352.9	2,418.9	2,436.1	2,493.1	2,635.2	2,629.2	2,861.6	3,142.2	3,555.0	3,838.0	4,154.7
Nonfinancial corporations, households, and NPISHs*	2,368.8	2,372.8	2,352.9	2,418.9	2,436.1	2,493.1	2,635.2	2,629.2	2,861.6	3,142.2	3,555.0	3,838.0	4,154.7
<b>D. Net Errors and Omissions</b>	<b>-1,338.5</b>	<b>-1,259.7</b>	<b>-1,914.8</b>	<b>-2,757.0</b>	<b>-1,872.8</b>	<b>-1,522.9</b>	<b>-1,580.3</b>	<b>-1,383.8</b>	<b>-1,447.2</b>	<b>-1,144.2</b>	<b>-1,417.9</b>	<b>-1,732.0</b>	<b>-2,521.1</b>
<b>E. Overall Balance</b>	<b>38.6</b>	<b>254.6</b>	<b>26.7</b>	<b>112.4</b>	<b>-109.1</b>	<b>-515.6</b>	<b>-597.2</b>	<b>-1,109.0</b>	<b>-1,252.9</b>	<b>-1,239.0</b>	<b>-1,556.4</b>	<b>-958.2</b>	<b>-821.4</b>
<b>F. Reserves and Related Items</b>	<b>-38.6</b>	<b>-254.6</b>	<b>-26.7</b>	<b>-112.4</b>	<b>109.1</b>	<b>515.6</b>	<b>597.2</b>	<b>1,109.0</b>	<b>1,252.9</b>	<b>1,239.0</b>	<b>1,556.4</b>	<b>958.2</b>	<b>821.4</b>
Reserve assets	-114.5	-361.3	-112.2	-171.1	83.6	476.0	562.8	1,055.1	1,201.5	1,180.8	1,488.4	880.2	711.5
Credit and loans from the IMF	-75.9	-106.8	-85.4	-58.7	-25.5	-39.6	-34.4	-53.9	-51.4	-58.2	-68.0	-78.0	-109.8
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. Cumulated to provide better analysis of the trend in the Balance of Payments and its accounts

\*NPISHs: Non Profit Institutions Serving Households

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
2015	KENYA SHILLINGS PER UNIT OF CURRENCY*				UNITS OF CURRENCY PER KENYA SHILLING**			
January	91.36	138.49	106.32	7.89	31.29	19.39	7.53	17.14
February	91.49	140.21	103.94	7.90	31.36	19.92	7.52	17.12
March	91.73	137.51	99.40	7.60	32.19	20.09	7.56	17.05
April	93.44	139.62	100.71	7.78	32.04	20.28	7.37	16.72
May	96.39	149.10	107.54	8.06	31.17	20.98	7.16	16.23
June	97.70	152.16	109.72	7.95	32.67	22.49	7.37	16.06
July	101.20	157.53	111.36	8.13	33.23	20.90	7.23	15.92
August	102.43	159.77	114.09	7.94	34.66	20.73	6.99	15.11
September	105.27	161.54	118.23	7.72	34.82	20.56	6.96	14.68
October	102.78	157.44	115.30	7.61	35.39	21.19	7.14	15.07
November	102.17	155.43	109.77	7.24	33.56	21.13	7.29	15.19
December	102.19	153.25	111.08	6.83	32.88	21.08	7.31	15.21
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

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 KShs=1 USD

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

Source: Central Bank of Kenya

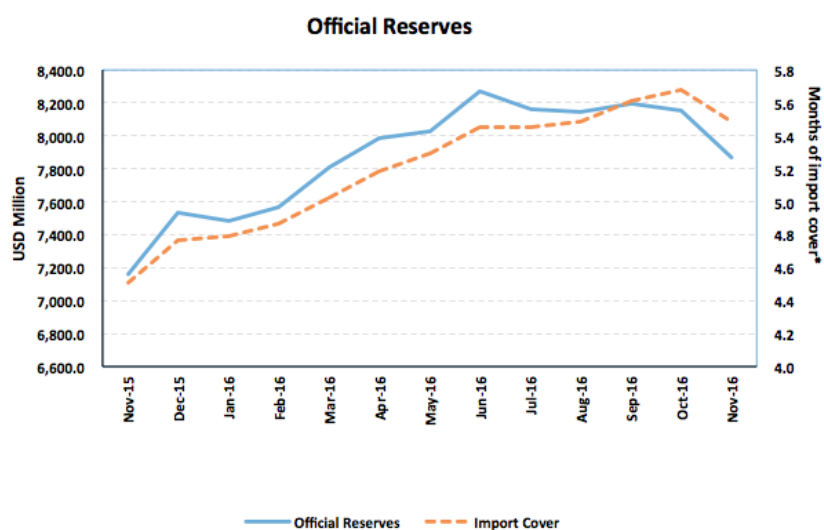
## BALANCE OF PAYMENTS AND EXTERNAL SECTOR INDICATORS

**TABLE 4.5 FOREIGN EXCHANGE RESERVES (END OF PERIOD USD MILLION)**

	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16
<b>Gross Reserves</b>	9,411.0	9,793.6	9,628.9	9,501.2	9,809.1	10,062.9	10,101.8	10,498.8	10,381.2	10,354.5	10,602.2	10,441.5	10,326.7
of which Official	7,160.7	7,534.5	7,481.2	7,565.8	7,806.8	7,985.8	8,032.1	8,267.0	8,164.6	8,144.0	8,199.8	8,154.6	7,872.1
import cover*	4.5	4.8	4.8	4.9	5.0	5.2	5.3	5.5	5.5	5.5	5.6	5.7	5.5
Commercial Banks	2,250.3	2,259.1	2,147.7	1,935.4	2,002.3	2,077.1	2,069.7	2,231.8	2,216.6	2,210.5	2,402.4	2,286.9	2,454.6

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

**Chart 1: Official Reserves and Months of Import Cover**



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

## 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
<b>2015</b>							
January	3,372.6	533.9	2,039.2	117.2	2,411.6	39.9	37.3
February	3,455.7	537.0	2,068.8	119.6	3,456.0	40.2	49.1
March	3,372.6	533.9	2,039.2	117.2	2,411.6	39.9	37.3
April	3,455.7	537.0	2,068.8	119.6	2,456.0	40.2	49.1
May	3,526.6	536.4	2,118.0	124.6	2,511.0	39.2	60.9
June	3,601.4	543.3	2,166.9	123.9	2,573.6	38.7	76.9
July	3,608.0	547.0	2,225.4	127.6	2,537.8	37.7	89.1
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
<b>2016</b>							
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	3,694.02	589.4	2,255.7	215.2	2,635.7	40.4	110.1
September	3,784.62	598.9	2,271.5	207.1	2,687.1	42.9	121.0
October	3,764.02	608.2	2,294.3	213.2	2,661.6	43.6	130.3
November	3,795.49	608.9	2,327.2	214.4	2,680.0	42.7	140.8

Note: December 2015 to December 2016 Excludes data for Charterhouse Bank, Chase Bank and Imperial Bank which are 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.)	Of which indirect {Net Settlement Instructions (KSh Bn.)}	No. of transactions	Average value per transaction (KSh Mn.)	Days worked	Per day Value (KSh Bn.)	Number of Transactions
2015							
January	2,414	32	257,341	10.27	22	109	11,697
February	2,330	28	245,227	6.30	20	116	12,261
March	2,414	32	257,341	9.38	22	109	11,697
April	2,598	28	245,227	9.5	20	116	12,261
May	2,132	29	246,925	8.64	20	107	12,346
June	2,598	29	257,240	10.1	21	124	11,533
July	2,836	31	273,200	10.38	23	123	11,672
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



## GOVERNMENT BUDGET OPERATIONS

TABLE 6.1: COMPOSITION OF GOVERNMENT REVENUE (KSH B)

FISCAL YEAR*	REVENUE AND GRANTS								
	TAX REVENUE								
	i	ii	iii	iv	v= i+ii+iii+iv	vi	vii=v+vi	viii	ix=vii+viii
Import Duty	Excise Duty	Income Tax	VAT	Tax Revenue	Non-Tax Revenue	Ordinary Revenue	Grants	Total Revenue (Including Grants)	
<b>FY 2014/2015</b>									
January	41.88	66.83	272.46	147.62	528.79	74.43	603.23	11.20	614.43
February	47.36	74.54	303.07	166.77	591.74	83.63	675.36	15.16	690.52
March	53.24	83.76	342.21	187.64	666.85	93.36	760.21	19.12	779.33
April	59.20	94.35	398.10	210.86	762.51	102.85	865.36	23.42	888.78
May	65.32	104.87	442.49	233.15	845.83	112.93	958.77	23.53	982.30
June	74.05	115.87	508.58	259.69	958.19	123.01	1,081.19	28.12	1,109.31
<b>FY 2015/2016</b>									
July	5.85	9.42	36.49	21.90	73.66	7.55	81.21	0.06	81.27
August	12.68	19.81	69.28	44.33	146.10	16.09	162.19	2.98	165.17
September	19.42	30.10	126.75	69.41	245.69	31.31	276.99	5.49	282.49
October	26.23	41.11	162.20	91.82	321.37	44.11	365.48	6.49	371.98
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
<b>FY 2016/2017</b>									
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

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

Source: The National Treasury



## GOVERNMENT BUDGET OPERATIONS

TABLE 6.2: COMPOSITION OF GOVERNMENT EXPENDITURE (KSH B)

	EXPENDITURE (COMMITMENT BASIS)*								
	RECURRENT EXPENDITURE					i	ii	iii	iv=i+ii+iii
	Do- mestic Interest	Foreign Interest	Wages & Sala- ries	Pen- sions	Other	Total Recurrent Expenditure	Development Expenditure	County Transfer	Total Expenditure
<b>FY 2014/2015</b>									
January	61.63	12.81	165.15	19.25	200.90	459.73	196.86	108.24	764.84
February	72.38	18.91	188.74	20.45	235.49	535.98	212.89	115.32	864.18
March	85.70	21.30	225.00	25.95	261.71	619.66	375.41	138.06	1,133.14
April	97.74	21.30	250.00	30.05	466.16	692.90	399.08	172.34	1,264.32
May	109.79	21.31	232.82	33.08	350.03	747.02	420.08	180.54	1,347.64
June	139.73	29.29	297.98	38.23	341.08	846.31	512.22	229.34	1,610.76
<b>FY 2015/2016</b>									
July	6.72	1.97	27.79	0.20	15.14	51.83	5.16	-	56.98
August	19.39	2.45	55.59	3.10	37.17	117.71	29.77	11.83	138.70
September	37.40	5.64	52.09	10.40	76.07	181.60	41.22	31.39	254.20
October	51.56	5.64	52.09	14.40	161.36	285.05	57.47	54.15	396.67
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
<b>FY 2016/2017</b>									
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

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

Source: The National Treasury

## GOVERNMENT BUDGET OPERATIONS

TABLE 6.3: GOVERNMENT DEFICIT FINANCING\1

FISCAL YEAR	GOVERNMENT DEFICIT FINANCING		
	i	ii	iii=i+ii
<b>FY 2014/2015</b>	<b>Domestic</b>	<b>Foreign*</b>	<b>Total Financing</b>
July	-32.29	-1.90	-34.19
August	1.00	3.02	4.02
September	-61.05	95.18	34.13
October	-58.19	91.96	33.76
November**	-12.70	93.65	80.95
December	-69.87	190.93	121.05
January	-42.54	42.48	144.01
February	15.99	63.26	223.33
March	20.09	189.99	354.25
April	62.93	178.28	385.66
May	4.75	174.67	349.78
June	127.86	217.48	488.84
<b>FY 2015/2016</b>			
July	4.93	-2.76	2.17
August	11.17	1.31	12.48
September	-14.42	7.18	-6.94
October	-7.64	5.91	-1.12
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
<b>FY 2016/2017</b>			
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

\1Figures 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

\*\*Foreign financing deficit is inclusive of Euro Bond Financing from Nov 2014

## PUBLIC DEBT

**TABLE 7.1 STOCK OF KENYA'S PUBLIC AND PUBLICLY GUARANTEED DEBT (Ksh B)**

	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16
<b>EXTERNAL DEBT</b>													
Bilateral	450.26	481.28	518.52	524.08	522.40	550.99	553.08	539.1	551.6	557.2	580.4	593.0	585.5
Multilateral	729.80	751.15	761.61	752.73	766.65	772.44	766.90	812.27	793.87	793.88	799.69	792.53	788.81
Commercial Banks	365.43	366.23	366.13	361.29	360.17	361.84	360.65	442.60	443.73	443.63	442.85	443.60	445.28
Export Credit	17.02	16.52	8.49	8.46	16.36	8.57	8.46	9.21	8.48	8.51	15.46	15.37	15.28
Sub-Total	1,562.52	1,615.18	1,654.74	1,646.56	1,665.58	1,693.83	1,689.09	1,803.20	1,797.70	1,803.26	1,838.42	1,844.47	1,834.91
(As a % of total debt)	50.75	51.19	52.07	50.64	50.29	50.07	49.11	49.84	49.84	49.82	49.78	49.55	48.88
<b>DOMESTIC DEBT</b>													
Banks	856.28	865.79	843.37	908.18	932.34	963.21	995.78	1,027.16	1,001.58	998.39	1,028.73	1,018.68	1,035.44
Central Bank	96.30	101.39	91.84	99.77	102.65	101.03	100.39	99.86	69.62	68.89	58.94	55.60	68.26
Commercial Banks	759.98	764.40	751.53	808.41	829.69	862.18	895.39	927.31	931.96	929.50	969.79	963.08	967.18
Non-banks	647.20	661.65	667.58	685.10	702.23	713.23	742.07	774.94	795.43	805.64	870.00	846.71	813.80
Pension Funds	381.90	389.03	391.71	405.99	417.04	426.03	448.91	468.94	484.26	486.27	493.82	518.66	531.10
Insurance Companies	127.20	129.05	130.73	130.17	132.96	133.76	133.40	134.39	137.86	134.11	136.41	136.98	141.35
Other Non-bank Sources	138.11	143.57	145.14	148.94	152.23	153.44	159.76	171.61	173.32	185.25	183.57	191.08	141.35
Non-residents	12.89	12.58	12.09	11.95	11.96	12.60	12.47	13.03	12.28	11.93	12.02	12.29	13.22
Sub-Total	1,516.37	1,540.02	1,523.05	1,605.23	1,646.53	1,689.04	1,750.33	1,815.13	1,809.29	1,815.96	1,854.55	1,877.68	1,918.66
(As a % of total debt)	49.25	48.81	47.93	49.36	49.71	49.93	50.89	50.16	50.16	50.18	50.22	50.45	51.12
<b>GRAND TOTAL</b>	<b>3,078.89</b>	<b>3,155.20</b>	<b>3,177.79</b>	<b>3,251.78</b>	<b>3,312.11</b>	<b>3,382.87</b>	<b>3,439.42</b>	<b>3,618.34</b>	<b>3,606.99</b>	<b>3,619.22</b>	<b>3,692.97</b>	<b>3,722.15</b>	<b>3,753.57</b>

Source: Central Bank of Kenya

\*\* Using Nominal GDP from the National Treasury for the FY 2015/2016 from Budget Summary

## PUBLIC DEBT

**TABLE 7.2: COMPOSITION OF GOVERNMENT GROSS DOMESTIC DEBT BY INSTRUMENT (KSH B)**

	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16
Treasury Bills*	404.3	417.4	404.3	456.2	498.4	533.4	579.4	613.0	602.7	606.0	643.2	641.7	645.0
Treasury Bonds	1,073.9	1,072.3	1,076.6	1,099.2	1,095.4	1,104.7	1,120.5	1,152.0	1,186.1	1,190.2	1,201.8	1,228.9	1,254.6
Overdraft at Central Bank	36.5	45.2	35.7	43.6	46.5	44.9	44.2	44.2	14.0	13.3	3.3	-	12.7
Advances from Commercial Banks	1.4	5.4	5.7	5.5	5.6	5.4	5.4	5.1	5.7	5.8	5.5	6.4	5.7
Other Domestic Debt** (TRCs and uncleared effects)	0.2	0.2	0.7	0.7	0.7	0.7	0.7	0.8	0.7	0.7	0.7	0.7	0.7
<b>Total Domestic Debt***</b>	<b>1,516.4</b>	<b>1,540.6</b>	<b>1,523.1</b>	<b>1,605.2</b>	<b>1,646.5</b>	<b>1,689.0</b>	<b>1,750.3</b>	<b>1,815.1</b>	<b>1,809.3</b>	<b>1,816.0</b>	<b>1,854.6</b>	<b>1,877.7</b>	<b>1,918.7</b>

\* 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

## CAPITAL MARKETS INDICATORS

**TABLE 8.1: SELECTED EQUITY MARKET INDICATORS**

INDICATOR	2016										
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
NSE 20 Share Index (1966=100) Points	3,773.00	3,871.00	3,982.00	4,009.26	3,867.50	3,640.61	3,488.67	3,178.83	3,243.21	3,229.22	3,247.19
NASI (2008=100) Points	136.00	141.00	147.00	146.93	145.54	140.60	142.39	134.94	136.75	137.04	136.61
FTSE NSE Kenya 15 Index Points	171.40	178.67	185.17	187.39	175.88	175.70	174.56	156.79	160.96	164.71	165.69
FTSE NSE Kenya 25 Index Points	172.36	178.68	185.47	187.31	176.85	176.47	177.56	163.07	166.62	170.55	170.40
Number of Shares Traded (Million)	422.74	341.03	535.93	426.65	384.00	601.00	544.00	708.07	746.89	351.71	461.71
Equities Turnover (KSh Million)	12,999.31	10,161.25	13,448.71	10,066.88	9,721.00	17,247.00	13,613.23	17,655.34	16,872.02	7,846.02	10,439.00
Market Capitalization (KSh Billion)	1,926.47	2,000.21	2,078.28	2,071.04	2,024.83	1,998.00	2,048.88	1,943.20	1,971.83	1,985.28	1,997.03

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

NASI = Nairobi All Share Index

FTSE NSE 15 = The performance of the 15 largest stocks ranked by full market capitalization, trading on the NSE

FTSE NSE 25 = The performance of the 25 most liquid stocks trading on the NSE

Source: Nairobi Securities Exchange

## CAPITAL MARKETS INDICATORS

**TABLE 8.2: SELECTED BOND MARKET INDICATORS**

Period (Month)	Secondary Market					Primary Market		
	FTSE NSE Kenya Govt. Bond Index	Bond Volume (KSh Million)	Number of Deals	Most Traded	End Month Turnover Ratio (Percent)	Bond	Offer (KSh Million)	Subscription Rate (Percent)
2015								
April	92.75	25,378.31	543.00	FXD1/2012/020	2.51	12 yr IFB	50,000.00	48.04
May	92.42	22,342.01	472.00	FXD1/2014/010	2.18	10 Year & 2 Year FXD (Reopen)	20,000.00	162.79
June	92.03	12,176.84	304.00	IFB1/2014/012	1.18	2 Year & 5 Year FXD (Reopen)	20,000.00	84.24
July	91.68	12,399.58	203.00	FXD1/2015/005	1.18	5 Year FXD	15,000.00	86.00
August	91.30	18,418.54	321.00	IFB1/2015/012	1.77	FXD 2/2015/2	20,000.00	97.04
September	90.41	13,693.38	307.00	IFB1/2015/012	1.31	FXD 1/2015/1	30,000.00	88.35
October	90.13	29,928.04	397	FXD2/2015/001	2.80	FXD 2/2015/1	20,000.00	157.40
November	90.87	19,473.99	238	IFB1/2015/012	1.81	FXD2/2015/5	20,000.00	164.99
December	90.04	21,918.57	343	FXD2/2015/001	2.03	IFB1/2015/9 ( Tap Sale)	78,000.00	32.24
2016								
January	89.61	21,617.28	182	FXD2/2015/001	2.07	FXD1/2016/2 & FXD1/2013/10	35,000.00	103.79
February	88.82	24,410.77	387	IFB1/2015/009	2.22	FXD1/2015/5 & FXD1/2012/10 (Reopen)	25,000.00	215.42
March	89.28	67,372.04	908	FXD1/2012/010	6.15	FXD1/2013/10 & FXD2/2013/15 (Reopen)	25,000.00	104.72
April	87.13	38,507.55	447	FXD1/2016/002	3.49	FXD1/2016/5	20,000.00	181.73
May	88.73	55,313.58	662	IFB1/2016/009	4.94	IFB1/2016/9 & FXD2/2016/2	30,000.00	269.80
June	87.98	55,987.59	581	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	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	IFB1/2016/009	2.25	FXD 1/2016/10	25,000.00	105.22
September	89.11	26,792.75	570	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	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	IFB1/2016/015	2.80	FXD 3/2007/15 & FXD 1/2008/20	30,000.00	76.29

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

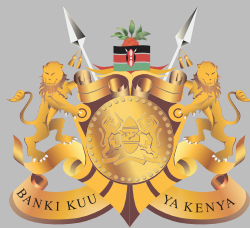
Source: Nairobi Securities Exchange and Central Bank of Kenya

## 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 Percent of FP to ET	E=B/C Percent of FS to ET	F=(D+E)/2 Percent Average Foreign Participation to Equity Turnover
<b>2015</b>						
January	4,401	4,674	9,715	45.30	48.11	46.71
February	7,176	6,975	16,109	44.55	43.30	43.92
March	9,368	12,453	20,516	45.66	60.70	53.18
April	8,175	8,242	14,642	55.83	56.29	56.06
May	12,360	14,390	21,331	57.94	67.46	62.70
June	17,659	18,106	24,251	72.82	74.66	73.74
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
<b>2016</b>						
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

Source: Nairobi Securities Exchange



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