



# MONTHLY ECONOMIC INDICATORS

JULY 2016

## Table of Contents

<b>1. INFLATION .....</b>	<b>2</b>
<b>2. MONEY, CREDIT AND INTEREST RATES .....</b>	<b>6</b>
<b>3. REAL SECTOR INDICATORS .....</b>	<b>9</b>
<b>4. BALANCE OF PAYMENT AND EXTERNAL SECTOR INDICATORS .....</b>	<b>10</b>
<b>5. DEVELOPMENTS IN THE BANKING SECTOR.....</b>	<b>12</b>
<b>6. GOVERNMENT BUDGET OPERATIONS .....</b>	<b>14</b>
<b>7. PUBLIC DEBT.....</b>	<b>17</b>
<b>8. CAPITAL MARKETS INDICATORS.....</b>	<b>18</b>

# 1. INFLATION

**TABLE 1.1: MONTHLY TRENDS IN INFLATION (%)**

	Overall 12 months inflation	Food Inflation	Fuel Inflation	Non-Food Non-Fuel Inflation	Average Annual	Three months annualised
<b>2015</b>						
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
<b>2016</b>						
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

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

**TABLE 1.2: MONTH-ON-MONTH CONTRIBUTION IN 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

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

**TABLE 1.3: OVERALL INFLATION ACROSS INCOME GROUPS (%)**

	<b>Nairobi Upper Income</b>	<b>Nairobi Middle Income</b>	<b>Nairobi Lower Income</b>	<b>Nairobi Combined</b>
<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

*Source: Kenya National Bureau of Statistics*

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

	<b>Nairobi</b>	<b>Rest of Kenya</b>	<b>Kenya</b>
<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

*Source: Kenya National Bureau of Statistics*

## 2. MONEY, CREDIT AND INTEREST RATES

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

	KSH (BN)												
COMPONENTS OF M3	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
<b>1. Money supply, M1 (1.1+1.2+1.3)</b>	<b>1,016.7</b>	<b>1,015.3</b>	<b>979.8</b>	<b>1,022.9</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>
1.1 Currency outside banks	181.3	179.3	174.9	181.8	182.3	191.0	183.0	183.2	183.4	190.1	181.9	187.9	191.3
1.2 Demand deposits	768.1	776.1	756.1	784.4	781.1	771.7	808.2	812.1	839.0	853.1	859.5	878.9	852.1
1.3 Other deposits at CBK 1/	67.0	59.7	48.5	56.4	62.3	60.7	53.1	44.1	54.1	57.6	72.1	64.3	63.9
<b>2. Money supply, M2 (1+2.1)</b>	<b>2,142.3</b>	<b>2,161.1</b>	<b>2,133.4</b>	<b>2,182.3</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>
2.1 Time and saving deposits	1,118.3	1,138.2	1,145.5	1,151.8	1,156.7	1,199.4	1,147.0	1,181.9	1,175.0	1,185.0	1,184.7	1,199.4	1,189.2
<b>3. Money supply, M3 (2+3.1)</b>	<b>2,549.0</b>	<b>2,569.9</b>	<b>2,556.0</b>	<b>2,574.7</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>
3.1 Foreign Currency Deposits	406.7	408.8	422.7	392.4	412.8	423.4	411.6	396.2	399.9	405.7	410.3	422.8	416.1
<b>COUNTERPARTS OF M3</b>													
<b>1. Net foreign assets 2/</b>	<b>412.9</b>	<b>404.7</b>	<b>389.3</b>	<b>436.6</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>
Central Bank	558.0	557.7	529.3	590.5	580.6	621.4	615.1	619.1	640.8	664.8	664.6	690.4	683.2
Banking Institutions	(145.1)	(153.0)	(139.9)	(153.9)	(134.7)	(129.9)	(141.9)	(162.2)	(169.3)	-162.0	-155.5	-132.0	-129.3
<b>2. Net domestic assets (2.1+2.2)</b>	<b>2,136.1</b>	<b>2,165.1</b>	<b>2,166.7</b>	<b>2,138.2</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>2.1 Domestic credit</b>	<b>2,724.3</b>	<b>2,775.5</b>	<b>2,785.3</b>	<b>2,776.8</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>
2.1.1 Government (net)	565.7	579.5	553.3	543.4	567.3	524.0	501.0	569.1	543.6	530.0	561.6	560.8	516.7
2.1.2 Private sector	2,113.8	2,149.8	2,184.0	2,186.6	2,204.4	2,223.6	2,227.0	2,222.5	2,230.6	2,237.7	2,243.1	2,245.3	2,258.5
2.1.3 Other public sector	44.9	46.2	48.0	46.7	47.2	46.3	46.0	49.7	49.4	48.6	48.4	50.5	52.4
<b>2.2 Other assets net</b>	<b>(588.2)</b>	<b>(610.3)</b>	<b>(618.6)</b>	<b>(638.6)</b>	<b>(660.4)</b>	<b>(627.2)</b>	<b>(633.4)</b>	<b>(670.8)</b>	<b>(632.5)</b>	<b>-627.4</b>	<b>-653.5</b>	<b>-661.3</b>	<b>-668.6</b>
<b>Memorandum items</b>													
<b>2. Reserve money</b>	<b>383.3</b>	<b>367.5</b>	<b>376.7</b>	<b>433.9</b>	<b>391.1</b>	<b>392.4</b>	<b>381.9</b>	<b>383.9</b>	<b>401.9</b>	<b>385.0</b>	<b>390.4</b>	<b>390.1</b>	<b>399.7</b>
Bank reserves	202.1	188.2	201.8	252.1	208.7	201.5	198.9	200.6	218.5	194.9	208.5	202.2	208.4
<b>4. Overall liquidity, L (3+4.1)</b>	<b>3,234.1</b>	<b>3,252.0</b>	<b>3,231.6</b>	<b>3,284.7</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>
4.1 Non-bank holdings of government securities	685.1	682.2	675.6	710.0	727.3	732.7	737.2	752.8	767.5	779.0	805.9	836.1	855.3
<b>ANNUAL GROWTH RATE (%)</b>													
COMPONENTS OF M3	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
<b>1. Money supply, M1 (1.1+1.2+1.3)</b>	<b>13.0</b>	<b>10.5</b>	<b>8.5</b>	<b>11.7</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>
1.1 Currency outside banks	12.5	9.3	10.8	11.4	9.2	10.2	7.6	6.7	7.0	9.2	3.9	7.2	5.6
1.2 Demand deposits	16.0	16.9	12.9	13.7	10.8	9.1	14.9	12.6	12.7	13.2	13.6	13.4	10.9
1.3 Other deposits at CBK 1/	(11.5)	(34.1)	(35.6)	(9.8)	(8.6)	9.5	(19.2)	(17.8)	(1.7)	-19.9	21.8	28.1	-4.7
<b>2. Money supply, M2 (1+2.1)</b>	<b>16.0</b>	<b>14.3</b>	<b>12.7</b>	<b>14.0</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>
2.1 Time and saving deposits	17.7	17.0	16.1	15.6	14.7	15.3	9.8	9.3	9.7	9.0	6.9	5.3	5.7
<b>3. Money supply, M3 (2+3.1)</b>	<b>16.4</b>	<b>14.0</b>	<b>13.5</b>	<b>13.9</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>
3.1 Foreign Currency Deposits	18.2	12.9	17.9	13.6	20.8	21.6	13.4	5.3	13.6	7.5	1.9	2.3	2.3
<b>COUNTERPARTS OF M3</b>													
<b>1. Net foreign assets 2/</b>	<b>(15.6)</b>	<b>(15.9)</b>	<b>(12.8)</b>	<b>4.4</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>
Central Bank	0.4	0.3	(4.2)	10.6	9.9	5.5	8.3	7.7	12.5	18.2	17.2	22.2	22.4
Banking Institutions	118.1	104.6	32.4	33.1	23.1	19.0	48.4	84.0	57.3	68.2	29.9	1.9	-10.9
<b>2. Net domestic assets (2.1+2.2)</b>	<b>25.6</b>	<b>22.2</b>	<b>20.0</b>	<b>16.1</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>2.1 Domestic credit</b>	<b>27.9</b>	<b>26.9</b>	<b>23.3</b>	<b>22.0</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>
2.1.1 Government (net)	63.1	55.5	38.3	36.6	30.3	38.2	29.8	24.7	15.7	11.0	14.7	7.4	-8.7
2.1.2 Private sector	21.2	21.0	20.8	19.5	18.7	18.0	17.0	16.0	15.5	13.5	11.1	8.6	7.1
2.1.3 Other public sector	15.2	21.7	(5.9)	(3.5)	(2.3)	(4.3)	5.3	13.6	12.7	11.1	-2.1	4.0	7.2
<b>2.2 Other assets net</b>	<b>37.0</b>	<b>46.8</b>	<b>36.2</b>	<b>47.2</b>	<b>42.1</b>	<b>35.8</b>	<b>39.5</b>	<b>35.6</b>	<b>24.6</b>	<b>27.0</b>	<b>29.5</b>	<b>26.8</b>	<b>13.7</b>
<b>Memorandum items</b>													
<b>2. Reserve money</b>	<b>25.8</b>	<b>2.9</b>	<b>16.7</b>	<b>24.5</b>	<b>19.8</b>	<b>3.4</b>	<b>9.1</b>	<b>9.2</b>	<b>16.1</b>	<b>9.0</b>	<b>7.6</b>	<b>4.9</b>	<b>4.3</b>
Bank reserves	40.8	(2.5)	22.4	36.0	30.9	(2.4)	10.5	11.5	24.9	8.9	11.1	2.8	3.1
<b>4. Overall liquidity, L (3+4.1)</b>	<b>15.0</b>	<b>12.9</b>	<b>12.6</b>	<b>14.1</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>
4.1 Non-bank holdings of government securities	10.1	8.8	9.1	14.5	15.7	18.3	16.5	20.5	20.7	22.9	26.3	29.9	24.9

Source: Central Bank of Kenya

**TABLE 2.2: BANKING SYSTEM NET DOMESTIC CREDIT (KSH BILLION)**

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
<b>1. Credit to Government</b>	<b>565.7</b>	<b>579.5</b>	<b>553.3</b>	<b>543.4</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>
Central Bank	27.9	52.2	46.7	-12.8	-9.1	-43.6	-61.7	-46.7	-80.8	-108.9	-115.3	-154.7	-184.2
Commercial Banks & NBFIs	537.7	527.3	506.6	556.2	576.4	567.7	562.7	615.8	624.4	638.8	677.0	715.5	700.9
<b>2. Credit to other public sector</b>	<b>44.9</b>	<b>46.2</b>	<b>48.0</b>	<b>46.7</b>	<b>47.2</b>	<b>46.3</b>	<b>46.0</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>
Local government	0.4	1.1	1.2	1.2	1.2	1.1	1.0	0.8	0.8	0.8	1.0	0.1	0.9
Parastatals	44.5	45.0	46.9	45.6	46.1	45.2	45.0	48.9	48.7	47.8	47.4	50.3	51.5
<b>3. Credit to private sector</b>	<b>2,113.8</b>	<b>2,149.8</b>	<b>2,184.0</b>	<b>2,186.6</b>	<b>2,204.4</b>	<b>2,223.6</b>	<b>2,227.0</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>
Agriculture	87.9	90.3	89.0	85.8	84.2	85.9	88.8	89.4	89.6	88.4	92.5	93.2	94.0
Manufacturing	268.8	277.1	280.4	282.8	285.4	290.1	287.5	292.1	296.6	294.3	296.4	297.9	301.1
Trade	361.7	369.1	381.1	371.5	373.7	378.0	383.3	385.0	393.1	397.4	399.4	397.1	401.9
Building and construction	89.5	94.1	100.8	108.5	108.2	106.3	102.9	95.3	98.5	99.2	98.0	98.9	98.3
Transport & communications	152.7	153.5	155.1	162.5	166.1	171.6	172.4	171.2	169.6	170.0	169.3	169.6	172.1
Finance & insurance	55.8	58.3	56.9	56.7	59.4	61.0	61.1	62.8	61.7	63.9	63.0	64.1	67.2
Real estate	273.3	275.7	279.2	277.5	281.4	282.6	282.5	284.4	286.8	293.4	292.0	296.0	292.7
Mining and quarrying	23.7	23.0	22.8	21.7	20.1	20.8	20.3	21.3	22.2	22.6	23.9	23.6	24.1
Private households	353.8	359.4	361.9	361.2	362.1	363.9	366.2	367.8	369.2	371.7	370.2	362.3	366.4
Consumer durables	126.7	128.4	128.9	129.0	127.6	128.5	128.7	128.1	128.0	126.9	125.9	129.2	130.4
Business services	194.2	197.3	198.8	201.2	203.1	204.9	205.5	207.6	208.6	198.9	206.3	200.1	200.5
Other activities	125.7	123.7	129.2	128.2	132.9	129.9	127.9	117.6	106.8	111.2	106.2	113.2	109.8
<b>4. TOTAL (1+2+3)</b>	<b>2,724.3</b>	<b>2,775.5</b>	<b>2,785.3</b>	<b>2,776.8</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>ANNUAL GROWTH RATE (%)</b>												
	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
<b>1. Credit to Government</b>	<b>63.1</b>	<b>55.5</b>	<b>38.3</b>	<b>36.6</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>
Central Bank	-121.3	-156.2	-199.2	-75.6	-83.2	-52.6	-41.5	-12.4	31.9	53.9	95.1	570.1	-759.9
Commercial Banks & NBFIs	12.5	13.2	13.3	23.5	17.8	20.4	14.5	20.8	17.6	16.5	23.4	31.3	30.3
<b>2. Credit to other public sector</b>	<b>15.2</b>	<b>21.7</b>	<b>-5.9</b>	<b>-3.5</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>
Local government	-87.0	672.4	697.7	714.1	705.6	313.8	197.3	356.1	341.2	372.7	223.6	-60.5	124.4
Parastatals	24.0	19.2	-7.9	-5.6	-4.4	-6.1	3.8	12.3	11.5	9.7	-3.5	4.3	6.3
<b>3. Credit to private sector</b>	<b>21.2</b>	<b>21.0</b>	<b>20.8</b>	<b>19.5</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>
Agriculture	28.5	28.7	21.4	17.2	12.5	14.6	20.1	23.5	20.1	17.0	22.3	15.2	6.9
Manufacturing	22.3	25.3	19.3	20.2	20.8	22.2	16.1	18.8	21.2	15.0	12.4	13.0	12.7
Trade	26.7	25.9	29.7	23.6	22.2	23.2	25.9	23.1	22.1	18.6	17.3	11.3	11.1
Building and construction	19.8	22.1	27.9	37.6	34.0	32.2	25.0	20.0	23.5	22.7	16.1	12.9	9.9
Transport & communications	33.4	30.0	29.0	32.1	32.3	31.7	28.9	26.3	21.1	18.6	16.3	13.8	12.7
Finance & insurance	46.8	50.5	45.7	26.4	28.5	21.2	19.4	18.0	19.5	23.1	14.4	15.0	20.4
Real estate	15.5	15.0	12.5	9.8	10.6	7.6	6.2	7.4	12.5	13.4	8.0	10.1	7.1
Mining and quarrying	-17.9	-18.0	-5.4	-15.5	-22.8	-11.3	-9.3	1.7	10.4	5.3	3.2	-1.6	-4.5
Private households	28.6	28.5	26.6	18.2	16.7	13.8	15.1	12.7	10.7	10.8	8.4	3.8	3.6
Consumer durables	21.5	21.0	19.0	18.0	15.3	14.3	16.0	13.2	13.9	11.8	11.6	3.2	2.9
Business services	25.3	22.5	15.9	24.1	19.3	20.9	17.8	19.6	14.9	7.7	10.4	6.4	3.2
Other activities	-12.6	-14.2	-0.9	8.6	14.6	11.9	8.2	-0.4	-7.7	-2.9	-11.6	-5.2	-9.4
<b>4. TOTAL (1+2+3)</b>	<b>27.9</b>	<b>26.9</b>	<b>23.3</b>	<b>22.0</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>

Source: Central Bank of Kenya



**TABLE 2.3: INTEREST RATES (%)<sup>1</sup>**

	CBK Rates					Government Tbill Rates			Commercial bank rates				
	Repo		Interbank	CBR	CRR	KBRR	91-days	182 days	364 days	Deposit	Savings	Lending	Overdraft
	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>2015</b>													
January	8.85	-	6.12	11.50	5.25	9.87	11.36	13.46	14.08	7.54	1.56	17.96	18.25
February	9.68	3.50	4.54	11.50	5.25	9.87	10.63	13.19	13.74	7.51	1.37	17.86	18.25
March	4.31	-	4.10	11.50	5.25	9.87	8.72	10.83	12.26	7.17	1.32	17.79	18.06
April	5.23	-	4.01	11.50	5.25	9.87	8.92	10.87	11.84	6.70	1.38	17.94	18.36
May	6.00	-	3.82	10.50	5.25	9.87	8.15	10.25	11.60	6.38	1.69	18.08	18.25
June	10.04	-	4.56	10.50	5.25	9.87	7.25	9.56	10.84	6.78	1.60	18.15	18.04
July	9.76	4.14	5.88	10.50	5.25	8.90	6.16	9.79	10.88	6.64	1.67	18.10	17.53

**CBR** Central Bank Rate

**KBRR** Kenya Bank's Reference Rate

**CRR** Cash reserve ratio

**REPO** Repurchase Agreement

<sup>1</sup> Monthly weighted average

*Source: Central Bank of Kenya and Commercial Banks*

### 3. REAL SECTOR INDICATORS

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

	2015						2016						
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
<b>Agriculture</b>													
<b>Horticulture, exports ('000 tonnes)</b>	<b>37</b>	<b>38</b>	<b>25</b>	<b>25</b>	<b>19</b>	<b>22</b>	<b>34</b>	<b>36</b>	<b>42</b>	<b>40</b>	<b>28</b>	<b>23</b>	<b>25</b>
Fresh vegetables	18	16	13	10	8	9	19	21	20	20	9	9	11
Fruits and nuts	10	7	4	3	3	4	5	5	9	10	8	5	6
Cut flowers	9	15	9	12	8	9	11	10	13	10	12	8	8
<b>Horticulture, exports (KSh Millions)</b>	<b>7,993</b>	<b>9,574</b>	<b>6,321</b>	<b>7,014</b>	<b>5,247</b>	<b>5,352</b>	<b>7,265</b>	<b>6,966</b>	<b>8,623</b>	<b>7,604</b>	<b>7,107</b>	<b>6,039</b>	<b>6,259</b>
Fresh vegetables	2,951	2,857	2,093	2,069	1,924	1,792	2,957	2,580	2,763	2,695	1,787	1,747	1,847
Fruits and nuts	2,117	1,716	1,085	874	658	686	771	736	1,296	1,451	1,453	1,331	1,542
Cut flowers	2,925	5,000	3,144	4,071	2,665	2,875	3,536	3,651	4,564	3,458	3,868	2,962	2,869
Tea, production (tonnes)	30,942	28,410	36,484	41,343	40,382	46,387	50,308	43,969	45,330	37,571	35,573	35,603	29,285
Coffee, sales (tonnes)	2,086	3,286	2,643	1,768	1,268	1,282	3,432	5,220	6,835	4,513	4,735	1,747	569
Milk intake, formal sector (million litres)	57	51	52	54	56	53	57	53	49	54	50	48	N/A
<b>Manufacturing</b>													
Cement, production (tonnes)	570,904	553,929	561,235	557,589	510,747	486,306	532,729	533,773	540,792	535,147	546,899	536,471	540,192
Assembled vehicles, production (units)	757	931	1,029	1,139	972	496	363	587	650	658	642	482	491
Sugar, production (tonnes)	47,957	54,089	61,069	56,360	43,401	48,089	64,499	59,863	65,909	48,800	45,122	53,843	56,861
<b>Electricity</b>													
<b>Electricity, generation (million KWH)</b>	<b>801</b>	<b>808</b>	<b>794</b>	<b>812</b>	<b>781</b>	<b>786</b>	<b>808</b>	<b>784</b>	<b>830</b>	<b>800</b>	<b>830</b>	<b>803</b>	<b>840</b>
Hydro	305	319	306	310	300	307	322	297	335	303	334	348	337
Geo-thermal	353	378	389	402	393	387	392	392	383	394	403	342	393
Thermal	143	112	99	100	89	92	93	95	112	102	92	113	110
<b>Construction</b>													
Cement, consumption (tonnes)	451,461	478,011	518,435	530,913	480,641	455,345	471,457	502,874	492,764	505,012	501,646	478,452	509,895
Electricity, consumption (million KWH)	628	710	755	695	673	627	706	707	711	666	734	748	704
<b>Transport and Storage</b>													
Petroleum consumption ('000 MT)	374	366	373	385	350	371	383	413	445	422	408	465	572
<b>Visitor arrivals (Actual no.)</b>	<b>78,243</b>	<b>70,878</b>	<b>59,276</b>	<b>72,490</b>	<b>61,340</b>	<b>59,085</b>	<b>75,592</b>	<b>72,839</b>	<b>58,547</b>	<b>55,180</b>	<b>62,872</b>	<b>68,633</b>	<b>89,561</b>
JKIA - Nairobi	72,515	63,332	54,162	66,441	53,622	50,015	66,185	62,856	49,996	51,311	59,294	64,451	81,729
MIA - Mombasa	5,728	7,546	5,114	6,049	7,718	9,070	9,407	9,983	8,551	3,869	3,578	4,182	7,832
<b>Fuel Prices (Average Retail)</b>													
Crude oil price (US\$ per barrel)	58	49	47	47	44	37	30	33	38	42	47	49	45
Premium fuel (KSh per Litre)	99	104	103	94	91	91	90	87	86	82	85	87	94
Diesel Oil (KSh per Litre)	86	84	81	83	81	79	78	69	67	67	71	75	84
Kerosene (KSh per Litre)	64	59	54	57	56	54	47	41	43	45	48	59	62
L.P.G (KSh per 13Kg)	2,376	2,375	2,394	3,401	2,387	2,869	2,344	2,318	2,277	2,268	2,253	2,231	2,098
Charcoal (KSh per 4Kg tin)	78	78	78	78	78	78	79	79	78	79	79	79	79

\*In June 2015 the coffee exchange was in recess

N/A Data not available

*Source: Kenya National Bureau of Statistics*

## 4. BALANCE OF PAYMENT AND EXTERNAL SECTOR INDICATORS

**TABLE 4.1: ANALYTICAL BALANCE OF PAYMENT STATEMENT MONTHLY FLOWS (USD MILLIONS)**

<i>Cumulative 12 months</i>	2015						2016						
	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
<b>BPM6 Concept</b>													
<b>A. Current Account, n.i.e.</b>	<b>-5,697.9</b>	<b>-5,277.0</b>	<b>-4,878.9</b>	<b>-4,361.7</b>	<b>-4,629.9</b>	<b>-4,324.8</b>	<b>-4,017.1</b>	<b>-3,794.7</b>	<b>-3,735.2</b>	<b>-3,679.0</b>	<b>-3,485.8</b>	<b>-3,533.2</b>	<b>-3,435.9</b>
Goods: exports f.o.b.	5,910.6	5,941.2	5,951.8	5,956.1	5,947.4	5,982.2	6,000.8	6,047.5	6,059.5	6,092.7	6,110.6	6,100.5	5,987.3
Goods: imports f.o.b.	16,915.0	16,535.3	16,080.0	15,575.1	15,845.4	15,562.6	15,208.3	14,964.0	14,835.2	14,667.9	14,320.7	14,254.3	13,981.2
Services: credit	4,732.6	4,725.3	4,620.8	4,589.2	4,547.2	4,495.6	4,446.5	4,458.4	4,413.7	4,357.4	4,245.7	4,198.0	4,221.2
Services: debit	2,447.5	2,392.3	2,306.4	2,256.9	2,219.7	2,166.6	2,195.7	2,270.2	2,330.5	2,395.1	2,465.1	2,543.9	2,604.4
<i>Balance on goods and services</i>	-8,719.3	-8,261.1	-7,813.8	-7,286.7	-7,570.6	-7,251.3	-6,956.6	-6,728.4	-6,692.4	-6,612.9	-6,429.4	-6,499.6	-6,377.2
Primary income: credit	309.7	310.2	308.5	310.7	310.1	310.0	316.4	318.6	324.0	327.5	332.2	336.0	341.2
Primary income: debit	778.3	777.4	771.9	781.1	800.3	815.5	810.5	812.0	814.8	810.1	791.8	776.5	774.6
<i>Balance on goods, services, and primary income</i>	-9,187.9	-8,728.3	-8,277.1	-7,757.1	-8,060.8	-7,756.8	-7,450.7	-7,221.8	-7,183.2	-7,095.5	-6,889.0	-6,940.1	-6,810.5
Secondary income, n. i. e.: credit	3,555.5	3,516.4	3,463.0	3,460.2	3,495.4	3,495.7	3,496.2	3,492.0	3,513.5	3,477.7	3,461.8	3,463.9	3,429.9
Secondary income: debit	65.5	65.1	64.9	64.8	64.5	63.6	62.6	64.8	65.4	61.3	58.5	56.9	55.3
<b>B. Capital Account, n.i.e.</b>	<b>230.8</b>	<b>241.9</b>	<b>269.3</b>	<b>239.6</b>	<b>252.2</b>	<b>256.9</b>	<b>282.6</b>	<b>283.4</b>	<b>295.0</b>	<b>300.6</b>	<b>301.9</b>	<b>270.7</b>	<b>270.1</b>
Capital account, n.i.e.: credit	230.8	241.9	269.3	239.6	252.2	256.9	282.6	283.4	295.0	300.6	301.9	270.7	270.1
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>-5,744.0</b>	<b>-5,797.5</b>	<b>-5,274.5</b>	<b>-5,708.4</b>	<b>-5,677.6</b>	<b>-5,070.2</b>	<b>-5,529.6</b>	<b>-5,966.2</b>	<b>-5,312.2</b>	<b>-5,388.1</b>	<b>-5,344.7</b>	<b>-5,831.0</b>	<b>-6,014.4</b>
Direct investment: assets	367.9	374.0	380.0	386.1	392.1	398.2	398.2	398.2	398.2	398.2	398.2	398.2	398.2
Portfolio investment: assets	168.4	168.9	171.6	172.9	182.6	190.5	188.6	124.2	120.6	119.0	77.2	42.7	45.0
Debt securities	157.3	157.9	159.9	162.2	172.3	180.5	178.9	115.7	112.3	110.6	70.4	35.1	33.3
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
Financial derivatives: assets	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
Financial derivatives: liabilities	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	454.8	424.5	601.8	562.1	631.7	486.1	188.8	-130.5	-60.3	-158.4	-202.3	26.3	-15.6
Other investment: liabilities, n.i.e.	4,055.4	4,149.6	3,894.9	4,353.5	4,480.6	4,625.0	4,764.2	4,827.1	4,234.1	4,221.1	4,092.9	4,777.4	4,908.5
<b>D. Net Errors and Omissions</b>	<b>-1,288.4</b>	<b>-1,477.9</b>	<b>-1,521.5</b>	<b>-2,044.5</b>	<b>-1,338.5</b>	<b>-1,256.9</b>	<b>-1,823.7</b>	<b>-2,570.7</b>	<b>-1,767.5</b>	<b>-1,500.3</b>	<b>-1,571.7</b>	<b>-1,469.3</b>	<b>-1,607.3</b>
<b>E. Overall Balance</b>	<b>1,011.5</b>	<b>715.5</b>	<b>856.6</b>	<b>458.1</b>	<b>38.6</b>	<b>254.6</b>	<b>28.5</b>	<b>115.8</b>	<b>-104.5</b>	<b>-509.4</b>	<b>-589.2</b>	<b>-1,099.2</b>	<b>-1,241.4</b>
<b>F. Reserves and Related Items</b>	<b>-1,011.5</b>	<b>-715.5</b>	<b>-856.6</b>	<b>-458.1</b>	<b>-38.6</b>	<b>-254.6</b>	<b>-28.5</b>	<b>-115.8</b>	<b>104.5</b>	<b>509.4</b>	<b>589.2</b>	<b>1,099.2</b>	<b>1,241.4</b>
Reserve assets	-1,166.6	-852.8	-966.4	-565.8	-114.5	-361.3	-112.3	-171.3	83.9	476.4	563.0	1,055.1	1,201.5
Credit and loans from the IMF	-155.1	-137.3	-109.8	-107.7	-75.9	-106.8	-83.8	-55.4	-20.6	-33.0	-26.2	-44.1	-39.9
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

Source: Central Bank of Kenya

**TABLE 4.2: MONTHLY AVERAGE EXCHANGE RATES (IN UNITS OF KSH)**

MONTH	CURRENCY							
	USD	UK POUND	EURO	SA RAND	KES/USHS	KES/TSHS	KES/RWF	KES/BIF
<b>2015</b>								
January	91.358	138.493	106.320	7.894	31.287	19.395	7.534	17.139
February	91.489	140.211	103.945	7.898	31.361	19.920	7.524	17.117
March	91.727	137.511	99.405	7.605	32.185	20.086	7.560	17.054
April	93.438	139.618	100.706	7.780	32.040	20.284	7.374	16.725
May	96.389	149.096	107.538	8.060	31.172	20.982	7.162	16.226
June	97.705	152.164	109.717	7.950	32.666	22.488	7.370	16.055
July	101.196	157.526	111.358	8.134	33.227	20.900	7.229	15.917
August	102.431	159.766	114.087	7.944	34.658	20.728	6.987	15.106
September	105.275	161.543	118.225	7.723	34.818	20.564	6.965	14.679
October	102.779	157.442	115.301	7.607	35.388	21.189	7.137	15.070
November	102.168	155.427	109.766	7.237	33.561	21.127	7.288	15.195
December	102.187	153.253	111.078	6.830	32.876	21.080	7.309	15.212
<b>2016</b>								
January	102.313	147.529	111.114	6.272	33.713	21.323	7.348	15.192
February	101.932	145.856	113.023	6.463	33.679	21.452	7.364	15.283
March	101.485	144.244	112.599	6.573	33.151	21.553	7.438	15.325
April	101.228	144.787	114.842	6.917	33.044	21.648	7.486	15.358
May	100.732	146.271	113.960	6.577	33.214	21.743	7.561	15.460
June	101.145	144.316	113.688	6.731	33.269	21.670	7.591	16.016
July	101.332	133.419	112.099	7.022	33.340	21.608	7.458	16.449

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
<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	2,456.0	40.2	49.1
March	3,526.6	536.4	2,118.0	124.6	2,511.0	39.2	60.9
April	3,601.4	543.3	2,166.9	123.9	2,573.6	38.7	76.9
May	3,608.0	547.0	2,225.4	127.6	2,537.8	37.7	89.1
June	3,655.8	548.8	2,277.7	126.5	2,567.0	37.6	99.7
July	3,654.5	555.5	2,318.0	124.7	2,568.5	37.4	114.2
August	3,591.1	548.6	2,243.9	128.1	2,508.9	36.4	122.4
September	3,626.9	564.7	2,260.3	139.9	2,553.8	37.5	130.7
October	3,492.6	574.4	2,165.3	147.3	2,485.9	38.1	134.3
November	3,626.9	564.7	2,260.3	139.9	2,553.8	37.1	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

**Note:** December 2015 to March 2016 excludes data for Charterhouse Bank which is under statutory management.

**NPLs:** Non-performing loans

**Source:** Central Bank of Kenya

**TABLE 5.2: TRENDS IN MONTHLY FLOWS THROUGH KEPSS\***

	Total value moved per month (KSh billion)	Of which indirect {NSI ** (Ksh billion)}	No. of transactions	Average value per transaction (KSh million)	Days worked/ Month	Per day	
						Value (KSh billion)	Transactions
<b>2015</b>							
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	2,132	29	246,925	9.38	20	107	12,346
April	2,598	29	257,240	9.50	21	124	11,533
May	2,836	31	273,200	8.64	23	123	11,672
June	2,848	28	239,842	10.10	21	136	11,421
July	2,891	29	266,523	10.38	22	131	12,115
August	3,070	30	273,487	11.87	21	146	13,023
September	2,104	30	248,109	10.85	21	100	11,815
October	2,442	36	310,853	11.23	22	111	14,130
November	2,104	30	248,109	8.53	21	100	11,815
December	2,442	36	310,853	7.77	22	111	14,130
<b>2016</b>							
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	7.20	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

Source: Central Bank of Kenya

## 6. GOVERNMENT BUDGET OPERATIONS

**TABLE 6.1: COMPOSITION OF GOVERNMENT REVENUE (KSH BILLION)**

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>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
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
<b>2016</b>									
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

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

Source: National Treasury

**TABLE 6.2: COMPOSITION OF GOVERNMENT EXPENDITURE (KSH BILLION)**

	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
<b>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
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
<b>2016</b>									
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

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

*Source: The National Treasury*



**TABLE 6.3: GOVERNMENT DEFICIT FINANCING (KSH BILLION)**

FISCAL YEAR*	GOVERNMENT DEFICIT FINANCING		
	i	ii	iii=i+ii
	Domestic	Foreign	Total Financing
<b>2014/2015</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	-7.24
October	-7.64	5.91	-1.73
November	68.64	100.51	169.15
December	26.29	137.48	163.78
January	30.00	145.27	175.27
February	99.07	160.08	259.15
March	109.24	170.93	280.17
April	130.61	174.42	305.03
May	178.94	176.82	355.76
June	197.17	251.88	449.04
<b>FY 2016/2017</b>			
July	-3.84	6.00	2.15

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

*Source: The National Treasury*

## 7. PUBLIC DEBT

**TABLE 7.1: KENYA'S STOCK OF PUBLIC AND PUBLICLY GUARANTEED DEBT (KSH BILLION)**

	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Mar-16	Apr-16	May-16	Jun-16	Jul-16
<b>EXTERNAL DEBT</b>											
Bilateral	461.09	470.44	477.47	458.03	450.26	481.28	522.40	550.99	553.08	539.1	551.6
Multilateral	707.28	751.04	759.34	730.01	729.80	751.15	766.65	772.44	766.90	812.27	793.87
Commercial Banks	287.70	291.65	295.64	322.34	365.43	366.23	360.17	361.84	360.65	442.60	443.73
Export Credit	17.07	17.55	17.79	16.98	17.02	16.52	16.36	8.57	8.46	9.21	8.48
<b>Sub-Total</b>	<b>1,473.14</b>	<b>1,530.68</b>	<b>1,550.23</b>	<b>1,527.36</b>	<b>1,562.52</b>	<b>1,615.18</b>	<b>1,665.58</b>	<b>1,693.83</b>	<b>1,689.09</b>	<b>1,803.20</b>	<b>1,797.70</b>
** (As a % of GDP)	23.67	24.59	23.64	23.30	23.83	24.64	25.40	25.83	25.76	27.50	27.42
(As a % of total debt)	50.94	52.17	52.76	50.62	50.75	51.19	50.29	50.07	49.11	49.84	49.84
Central Bank	102.99	115.28	107.64	101.15	96.30	101.39	102.65	101.03	100.39	99.86	69.62
Commercial Banks	716.51	697.51	682.69	721.31	759.98	764.40	829.69	862.18	895.39	927.31	931.96
<b>Non-banks</b>	<b>588.15</b>	<b>579.25</b>	<b>586.10</b>	<b>619.25</b>	<b>647.20</b>	<b>661.65</b>	<b>702.23</b>	<b>713.23</b>	<b>742.07</b>	<b>774.94</b>	<b>795.43</b>
Pension Funds	358.73	353.32	345.40	366.14	381.90	389.03	417.04	426.03	448.91	468.94	484.26
Insurance Companies	129.96	123.56	121.09	127.34	127.20	129.05	132.96	133.76	133.40	134.39	137.86
Other Non-bank Sources	99.46	102.37	119.61	125.77	138.11	143.57	152.23	153.44	159.76	171.61	173.32
<b>Non-residents</b>	<b>10.92</b>	<b>11.06</b>	<b>11.53</b>	<b>12.53</b>	<b>12.89</b>	<b>12.58</b>	<b>11.96</b>	<b>12.60</b>	<b>12.47</b>	<b>13.03</b>	<b>12.28</b>
<b>Sub-Total</b>	<b>1,418.57</b>	<b>1,403.10</b>	<b>1,387.97</b>	<b>1,454.25</b>	<b>1,516.37</b>	<b>1,540.02</b>	<b>1,646.53</b>	<b>1,689.04</b>	<b>1,750.33</b>	<b>1,815.13</b>	<b>1,809.29</b>
** (As a % of GDP)	22.79	22.54	21.17	22.18	23.13	23.49	25.11	25.76	26.70	27.68	27.60

Source: Central Bank of Kenya

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

	2015			2016						
	Jun	Sep	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
Treasury Bills*	345.5	293.2	417.4	404.3	456.2	498.4	533.4	579.4	613.0	602.7
Treasury Bonds	1,035.7	1,046.9	1,072.3	1,076.6	1,099.2	1,095.4	1,104.7	1,120.5	1,152.0	1,186.1
Overdraft at Central Bank	36.5	45.9	45.2	35.7	43.6	46.5	44.9	44.2	44.2	14.0
Advances from Commercial Banks	2.5	1.7	5.4	5.7	5.5	5.6	5.4	5.4	5.1	5.1
Other Domestic Debt** ( TRCs and uncleared effects)	0.2	0.5	0.2	0.7	0.7	0.7	0.7	0.7	0.8	0.7
<b>Total Domestic Debt***</b>	<b>1,420.4</b>	<b>1,388.3</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>1,808.6</b>

\* The stock of Treasury bills includes Repo Treasury bills

\*\* Other domestic debt includes Items in transit, Securities rediscounted and Tax Reserve Certificates

\*\*\* 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	2015					2016						
	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul
NSE 20 Share Index (1966=100)	4,176.00	4,173.00	3,869.00	4,016.00	4,040.00	3,773.00	3,871.00	3,982.00	4,009.26	3,867.50	3,640.61	3,488.67
NASI (2008=100)	143.00	147.00	137.00	143.00	145.00	136.00	141.00	147.00	146.93	145.54	140.60	142.39
FTSE NSE Kenya 15 Index	183.66	195.09	180.26	187.51	182.55	171.40	178.67	185.17	187.39	175.88	175.70	174.56
FTSE NSE Kenya 25 Index	183.15	194.81	179.58	186.94	182.11	172.36	178.68	185.47	187.31	176.85	176.47	177.56
Number of Shares Traded (Millions)	733.76	433.96	540.05	440.59	474.87	422.74	341.03	535.93	426.65	384.00	601.00	544.00
Equities Turnover (Ksh Millions)	20,792.29	14,375.44	17,837.07	13,148.60	15,109.59	12,999.31	10,161.25	13,448.71	10,066.88	9,721.00	17,247.00	13,613.23
Market Capitalization (Ksh Billions)	2,005.00	2,063.64	1,931.00	2,018.13	2,049.54	1,926.47	2,000.21	2,078.28	2,071.04	2,024.83	1,998.00	2,048.88

**NOTES**

**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** - Represents the performance of the largest 15 stocks trading on the NSE, ranked by full market capitalization.

**FTSE NSE 25** - Represents the performance of the 25 most liquid stocks trading on the NSE

*Source: Nairobi Securities Exchange*

**TABLE 8.2: SELECTED BOND MARKET INDICATORS**

Period (Month)	Secondary Market					Primary Market		
	FTSE NSE Kenya Govt. Bond Index	Bond Volume (Ksh Millions)	Number of Deals	Most Traded	End Month Turnover Ratio (%)	Bond	Offer (Ksh Millions)	Subscription Rate (%)
<b>2015</b>								
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	397.00	FXD2/2015/001	2.80	FXD 2/2015/1	20,000.00	157.40
November	90.87	19,473.99	238.00	IFB1/2015/012	1.81	5 Year FXD	20,000.00	164.99
December	90.04	21,918.57	343.00	FXD2/2015/001	2.03	9 Year IFB ( Tap Sale)	78,000.00	32.24
<b>2016</b>								
January	89.61	21,617.28	182.00	FXD2/2015/001	2.07	10 Year & 2 Year FXD	35,000.00	103.79
February	88.82	24,410.77	387.00	IFB1/2015/009	2.22	10 Year & 5 Year FXD (Reopen)	25,000.00	215.42
March	89.28	67,372.04	908.00	FXD1/2012/010	6.15	10 Year & 15 Year FXD (Reopen)	25,000.00	104.72
April	87.13	38,507.55	447.00	FXD1/2016/002	3.49	5 Year FXD	20,000.00	181.73
May	88.73	55,313.58	662.00	IFB1/2016/009	4.94	IFB1/2016/9 & FXD2/2016/2	30,000.00	269.80
June	87.98	55,987.59	581.00	IFB1/2016/009	4.86	FXD 2/2016/2 & FXD 1/2012/15	30,000.00	169.36
July	90.87	21,223.24	301.00	FXD1/2012/010	1.87	FXD 2/2016/5 & FXD 1/2008/2016	30,000.00	133.33

**NOTES**

**IFB** = Government Infrastructure Bond

**FXD** = Fixed Rate/Coupon Treasury bond

**Reopen** = Issued and outstanding bond re-offered to the primary market

**Bonds Turnover (%)** = Volume of bonds traded as a ratio of all outstanding stock of tradable bonds

*Source: Central Bank of Kenya and Nairobi Securities Exchange*

**TABLE 8.3: FOREIGN INVESTORS PARTICIPATION (KSH MILLION)**

	A	B	C	D=A/C	E=B/C	F=((D+E)/2)
Period (Month)	Foreign Purchases (FP)	Foreign Sales (FS)	Equity Market Turnover (ET)	% of FP TO ET	% of FS to ET	% 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	6,375	17,247	75.85	36.96	56.41
July	11,186	10,212	13,613	82.17	75.02	78.59

Source: Nairobi Securities Exchange