



**Central Bank of Kenya**



# MONTHLY ECONOMIC INDICATORS

JANUARY 2019



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## SYMBOLS

- . Not applicable
- ... Not available
- Magnitude zero or insignificant
- \* Provisional or estimate figure
- \*\* Revised figure

## Definitions

1. **Inflation:** Percentage change in the consumer price index (CPI)
2. **Narrow Money**  
**M0:** Currency outside the banking system excluding commemorative coins  
**M1:** M0 + demand deposits of banks (or depository corporations)
3. **Broad Money**  
**M2:** M1 + quasi (long term) money deposits i.e. time and savings deposits of banks.
4. **Extended Broad Money**  
**M3:** M2 + resident foreign currency deposits.
5. **Overall Liquidity**  
**L:** M3 + non-bank holdings of Government securities.
6. **Net Foreign Assets (NFA):** Gross foreign assets less gross foreign liabilities of depository corporations (DCs).
7. **Net Domestic Assets (NDA) of Depository Corporations (DCs):** the sum of:
  - Net credit to Government, which is the sum of net credit to government from the central bank (CBK) and commercial banks.
  - Credit to other sectors, which is the sum of credit to other sectors (private and other public entities) from central bank and from other depository corporations (ODCs).
  - Other Items Net (Other assets less other liabilities) of central bank and ODCs after netting out positions between CBK and ODCs or consolidation adjustments.
8. **NFA + NDA = Extended Broad Money**
9. **Credit to Private Sector:** Credit facilities extended by DCs to the private sector.
10. **Interest Rates:** Covers the short term rates including: Repo rate (3 and 7 days), reverse repo, interbank rates, treasury bill rates and commercial banks' weighted average lending and deposit rates.
11. **Current Account Balance:** Measures the flows of goods, services, primary income, and secondary income between residents and nonresidents.
12. **Capital Account:** Measures capital transfers receivable and payable; and acquisition and disposal of non-produced, non-financial assets, which include: marketing assets; contracts, leases, and licenses; and rights of natural resources such as land, minerals, water, air space between residents and nonresidents.

13. **Financial Account:** Measures net acquisition and disposal of financial assets and liabilities.
14. **Exchange Rate:** The price of Kenya Shilling relative to a foreign currency. The mean exchange rate is computed by a simple average of the mean buying and selling exchange rate prevailing on any trading day.
15. **Foreign Exchange Reserves:** External assets held by the CBK that are readily available for meeting balance of payments financing needs and for intervention in the foreign exchange market.
16. **Government Revenue:** Comprises tax and non-tax revenue. Tax revenue includes import duty, excise duty, income tax (including PAYE) and value added tax (VAT) while non-tax revenue comprises investment income, appropriation in aid (AIA) and other levies.
17. **Grants:** Non repayable funds received by the Government from other governments or international organizations.
18. **Government Expenditures:** Both recurrent and development expenditures. Recurrent expenditures refer to spending on current activities. It consists of interest payments on debt (domestic and foreign), salaries and wages, pensions and payments for maintenance and operations. Development expenditure refers to the expenditure incurred on projects.
19. **Budget Deficit:** the excess of expenditure over revenue and grants. The converse is a budget surplus.
20. **Deficit financing:** Comprising external borrowing, domestic borrowing and sales of Government shares in government agencies (privatisation).
21. **Public and Publicly Guaranteed Debt:** Comprises external and domestic debt.

## 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 |
|-------------|-----------------------------|----------------|----------------|------------------------------------|----------------|-------------------------|
| <b>2017</b> |                             |                |                |                                    |                |                         |
| 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      | 8.04                        | 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                   |
| <b>2018</b> |                             |                |                |                                    |                |                         |
| January     | 4.83                        | 4.92           | 6.10           | 3.53                               | 7.79           | 6.66                    |
| February    | 4.46                        | 4.11           | 6.16           | 3.62                               | 7.40           | 13.66                   |
| March       | 4.18                        | 2.58           | 8.17           | 3.77                               | 6.89           | 17.58                   |
| April       | 3.73                        | 0.75           | 10.17          | 4.02                               | 6.24           | 17.70                   |
| May         | 3.95                        | 0.74           | 11.44          | 3.89                               | 5.61           | 15.87                   |
| June        | 4.28                        | 1.24           | 11.89          | 3.58                               | 5.20           | 5.78                    |
| July        | 4.35                        | 0.91           | 12.38          | 3.97                               | 4.95           | -3.26                   |
| August      | 4.04                        | -0.60          | 14.21          | 4.16                               | 4.63           | -5.76                   |
| September   | 5.70                        | 0.91           | 17.39          | 4.67                               | 4.53           | 1.71                    |
| October     | 5.53                        | 0.87           | 16.50          | 4.67                               | 4.52           | 2.11                    |
| November    | 5.59                        | 1.96           | 14.33          | 4.56                               | 4.59           | 0.15                    |
| December    | 5.71                        | 2.64           | 13.77          | 4.20                               | 4.69           | -1.29                   |
| <b>2019</b> |                             |                |                |                                    |                |                         |
| January     | 4.70                        | 1.78           | 12.11          | 3.51                               | 4.68           | 3.35                    |

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 Inflation |
|-------------|--------------------------------|--|---------------------|--|--|--------|-----------|---------------|----------------------|-----------|----------------------|--------------------------------|-------------------|
| <b>2017</b> |                                |  |                     |  |  |        |           |               |                      |           |                      |                                |                   |
| 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                           | 5.70              |
| 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                           | 4.70              |
| 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              |
| <b>2018</b> |                                |  |                     |  |  |        |           |               |                      |           |                      |                                |                   |
| January     | 2.13                           | 0.06                                     | 0.23                | 0.89   | 0.19   | 0.11   | 0.55      | 0.01          | 0.03                 | 0.13      | 0.32                 | 0.16                           | 4.83              |
| February    | 1.76                           | 0.06                                     | 0.24                | 0.88   | 0.22   | 0.09   | 0.56      | 0.01          | 0.03                 | 0.12      | 0.31                 | 0.17                           | 4.46              |
| March       | 1.02                           | 0.06                                     | 0.24                | 1.36   | 0.22   | 0.09   | 0.53      | 0.02          | 0.03                 | 0.13      | 0.30                 | 0.17                           | 4.18              |
| April       | 0.13                           | 0.06                                     | 0.26                | 1.77   | 0.24   | 0.09   | 0.55      | 0.02          | 0.03                 | 0.13      | 0.27                 | 0.18                           | 3.73              |
| May         | 0.17                           | 0.05                                     | 0.26                | 2.04   | 0.23   | 0.10   | 0.54      | 0.02          | 0.03                 | 0.12      | 0.22                 | 0.16                           | 3.95              |
| June        | 0.42                           | 0.05                                     | 0.25                | 2.13   | 0.23   | 0.10   | 0.58      | 0.01          | 0.02                 | 0.12      | 0.21                 | 0.15                           | 4.30              |
| July        | 0.25                           | 0.06                                     | 0.26                | 2.19   | 0.24   | 0.16   | 0.66      | 0.01          | 0.03                 | 0.12      | 0.22                 | 0.15                           | 4.40              |
| August      | -0.54                          | 0.12                                     | 0.26                | 2.54   | 0.24   | 0.15   | 0.73      | 0.01          | 0.03                 | 0.12      | 0.23                 | 0.16                           | 4.04              |
| September   | 0.24                           | 0.14                                     | 0.29                | 2.66   | 0.26   | 0.16   | 1.37      | 0.02          | 0.04                 | 0.12      | 0.24                 | 0.17                           | 5.70              |
| October     | 0.24                           | 0.14                                     | 0.30                | 2.64   | 0.24   | 0.15   | 1.22      | 0.07          | 0.03                 | 0.12      | 0.20                 | 0.17                           | 5.53              |
| November    | 0.78                           | 0.15                                     | 0.27                | 2.16   | 0.23   | 0.13   | 1.26      | 0.08          | 0.03                 | 0.12      | 0.20                 | 0.16                           | 5.59              |
| December    | 1.15                           | 0.14                                     | 0.22                | 2.12   | 0.21   | 0.12   | 1.18      | 0.08          | 0.03                 | 0.12      | 0.18                 | 0.15                           | 5.71              |
| <b>2019</b> |                                |  |                     |  |  |        |           |               |                      |           |                      |                                |                   |
| January     | 0.73                           | 0.14                                     | 0.18                | 1.98   | 0.19   | 0.12   | 0.91      | 0.08          | 0.02                 | 0.04      | 0.16                 | 0.14                           | 4.70              |

**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 |
|-------------|----------------------|-----------------------|----------------------|------------------|
| <b>2016</b> |                      |                       |                      |                  |
| 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             |
| <b>2017</b> |                      |                       |                      |                  |
| 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             |
| <b>2018</b> |                      |                       |                      |                  |
| January     | 3.86                 | 6.35                  | 6.43                 | 6.33             |
| February    | 4.18                 | 5.77                  | 5.75                 | 5.70             |
| March       | 4.15                 | 5.37                  | 5.36                 | 5.33             |
| April       | 4.14                 | 4.19                  | 4.36                 | 4.32             |
| May         | 4.23                 | 4.61                  | 4.85                 | 4.78             |
| June        | 5.75                 | 5.64                  | 5.52                 | 5.55             |
| July        | 5.46                 | 5.38                  | 5.30                 | 5.32             |
| August      | 7.76                 | 5.77                  | 3.60                 | 4.19             |
| September   | 9.42                 | 6.82                  | 4.40                 | 5.07             |
| October     | 7.15                 | 6.02                  | 3.07                 | 3.82             |
| November    | 6.93                 | 6.18                  | 3.42                 | 4.12             |
| December    | 7.86                 | 6.17                  | 3.50                 | 4.21             |
| <b>2019</b> |                      |                       |                      |                  |
| January     | 6.50                 | 5.16                  | 2.94                 | 3.53             |

**Source: Kenya National Bureau of Statistics**

## INFLATION

**Table 1.4: Overall Inflation by Region (Per cent)**

|             | Nairobi | Rest of Kenya | Kenya |
|-------------|---------|---------------|-------|
| <b>2016</b> |         |               |       |
| 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  |
| <b>2017</b> |         |               |       |
| 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          | 8.04  |
| 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  |
| <b>2018</b> |         |               |       |
| January     | 6.33    | 3.80          | 4.83  |
| February    | 5.70    | 3.62          | 4.46  |
| March       | 5.33    | 3.40          | 4.18  |
| April       | 4.32    | 3.33          | 3.73  |
| May         | 4.78    | 3.40          | 3.95  |
| June        | 5.55    | 3.43          | 4.28  |
| July        | 5.32    | 3.71          | 4.35  |
| August      | 4.19    | 3.94          | 4.04  |
| September   | 5.07    | 6.13          | 5.70  |
| October     | 3.82    | 6.69          | 5.53  |
| November    | 4.12    | 6.59          | 5.59  |
| December    | 4.21    | 6.73          | 5.71  |
| <b>2019</b> |         |               |       |
| January     | 3.53    | 5.50          | 4.70  |

**Source:** Kenya National Bureau of Statistics

## 2. MONEY, CREDIT AND INTEREST RATES

Table 2.1: Money Supply and its Sources (KSh Billion)

| COMPONENTS OF M3                                 | Jan-18**       | Feb-18**       | Mar-18**       | Apr-18**       | May-18**       | June-18**      | July-18**      | Aug-18**       | Sept-18**      | Oct-18**       | Nov-18**       | Dec-18*        | Jan-19*        |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>1. Money supply, M1 (1.1+1.2+1.3)</b>         | <b>1,364.3</b> | <b>1,385.2</b> | <b>1,362.6</b> | <b>1,407.0</b> | <b>1,401.5</b> | <b>1,426.7</b> | <b>1,435.8</b> | <b>1,393.7</b> | <b>1,380.1</b> | <b>1,436.9</b> | <b>1,410.0</b> | <b>1,477.9</b> | <b>1,465.0</b> |
| 1.1 Currency outside banks                       | 210.7          | 211.1          | 214.4          | 212.4          | 211.7          | 218.3          | 220.7          | 218.7          | 214.4          | 221.1          | 224.0          | 230.3          | 214.1          |
| 1.2 Demand deposits                              | 1,105.8        | 1,123.0        | 1,083.4        | 1,129.2        | 1,134.4        | 1,126.8        | 1,123.8        | 1,103.7        | 1,094.6        | 1,151.0        | 1,117.4        | 1,175.6        | 1,155.8        |
| 1.3 Other deposits at CBK <sup>1</sup>           | 47.3           | 50.6           | 64.5           | 65.1           | 54.9           | 81.2           | 90.8           | 70.9           | 70.8           | 64.4           | 68.3           | 71.7           | 94.7           |
| <b>2. Money supply, M2 (1+2.1)</b>               | <b>2,543.6</b> | <b>2,561.3</b> | <b>2,560.9</b> | <b>2,598.5</b> | <b>2,621.0</b> | <b>2,681.9</b> | <b>2,705.2</b> | <b>2,698.8</b> | <b>2,684.9</b> | <b>2,719.8</b> | <b>2,699.4</b> | <b>2,756.0</b> | <b>2,757.6</b> |
| 2.1 Time and saving deposits                     | 1,179.3        | 1,176.1        | 1,198.3        | 1,191.5        | 1,219.6        | 1,255.2        | 1,269.5        | 1,305.1        | 1,304.8        | 1,282.9        | 1,289.4        | 1,278.0        | 1,292.7        |
| <b>3. Money supply, M3 (2+3.1)</b>               | <b>3,026.1</b> | <b>3,023.5</b> | <b>3,035.4</b> | <b>3,074.8</b> | <b>3,142.1</b> | <b>3,262.6</b> | <b>3,278.8</b> | <b>3,259.7</b> | <b>3,261.1</b> | <b>3,273.0</b> | <b>3,269.0</b> | <b>3,337.8</b> | <b>3,344.3</b> |
| 3.1 Foreign Currency Deposits                    | 482.5          | 462.2          | 474.5          | 476.3          | 521.0          | 580.8          | 573.6          | 561.0          | 576.2          | 553.2          | 569.6          | 581.9          | 586.6          |
| <b>SOURCES OF M3</b>                             |                |                |                |                |                |                |                |                |                |                |                |                |                |
| <b>1. Net foreign assets<sup>1/2</sup></b>       | <b>523.5</b>   | <b>514.1</b>   | <b>697.6</b>   | <b>721.6</b>   | <b>722.8</b>   | <b>756.9</b>   | <b>756.0</b>   | <b>731.5</b>   | <b>742.1</b>   | <b>683.9</b>   | <b>691.8</b>   | <b>714.1</b>   | <b>706.6</b>   |
| 1.1. Central Bank                                | 634.9          | 636.1          | 803.3          | 824.4          | 815.6          | 783.6          | 798.1          | 774.1          | 768.3          | 748.9          | 731.5          | 739.5          | 749.3          |
| 1.2. Banking Institutions                        | -111.4         | -122.0         | -105.7         | -102.8         | -92.7          | -26.7          | -42.1          | -42.6          | -26.2          | -65.0          | -39.8          | -25.4          | -42.6          |
| <b>2. Net domestic assets (2.1+2.2)</b>          | <b>2,502.6</b> | <b>2,509.4</b> | <b>2,337.7</b> | <b>2,353.2</b> | <b>2,419.2</b> | <b>2,505.7</b> | <b>2,522.8</b> | <b>2,528.2</b> | <b>2,519.0</b> | <b>2,589.1</b> | <b>2,577.3</b> | <b>2,623.7</b> | <b>2,637.6</b> |
| 2.1 Domestic credit                              | 3,239.1        | 3,252.3        | 3,080.6        | 3,138.8        | 3,154.0        | 3,237.3        | 3,258.5        | 3,278.8        | 3,282.5        | 3,368.7        | 3,358.9        | 3,381.1        | 3,414.8        |
| 2.1.1 Government (net)                           | 771.8          | 792.3          | 624.9          | 676.4          | 669.5          | 745.1          | 766.7          | 780.5          | 770.2          | 840.7          | 828.6          | 858.2          | 892.7          |
| 2.1.2 Private sector                             | 2,352.3        | 2,346.5        | 2,343.0        | 2,349.7        | 2,371.3        | 2,380.4        | 2,383.1        | 2,389.9        | 2,404.0        | 2,422.4        | 2,423.3        | 2,422.0        | 2,421.7        |
| 2.1.3 Other public sector                        | 115.0          | 113.5          | 112.7          | 112.7          | 113.2          | 111.9          | 108.7          | 108.4          | 108.3          | 105.6          | 107.0          | 100.9          | 100.4          |
| 2.2 Other items net                              | -736.5         | -742.8         | -742.9         | -785.6         | -734.8         | -731.6         | -735.7         | -750.5         | -763.5         | -779.6         | -781.6         | -757.3         | -777.1         |
| <b>Memorandum items</b>                          |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 1. Reserve money                                 | 434.6          | 419.9          | 418.2          | 419.3          | 433.0          | 429.2          | 428.4          | 450.5          | 449.9          | 447.6          | 455.0          | 492.0          | 457.8          |
| Bank reserves                                    | 223.8          | 208.7          | 203.8          | 206.9          | 221.2          | 210.9          | 207.7          | 231.8          | 235.5          | 226.4          | 231.1          | 261.7          | 243.7          |
| 2. Overall liquidity, L (3+2.1.0)                | 4,116.3        | 4,130.4        | 4,159.2        | 4,224.4        | 4,297.0        | 4,434.2        | 4,454.9        | 4,438.5        | 4,465.9        | 4,478.0        | 4,502.0        | 4,557.1        | 4,595.4        |
| 2.1.0 Non-bank holdings of government securities | 1,090.2        | 1,106.9        | 1,123.8        | 1,149.6        | 1,154.9        | 1,171.6        | 1,176.1        | 1,178.8        | 1,204.8        | 1,205.0        | 1,232.9        | 1,219.3        | 1,251.1        |
| <b>ANNUAL GROWTH RATE (Per cent)</b>             |                |                |                |                |                |                |                |                |                |                |                |                |                |
| COMPONENTS OF M3                                 | Jan-18         | Feb-18         | Mar-18         | Apr-18         | May-18         | Jun-18         | July-18        | Aug-18         | Sept-18        | Oct-18         | Nov-18         | Dec-18         | Jan-19         |
| 1. Money supply, M1 (1.1+1.2+1.3)                | 8.0            | 8.5            | 4.3            | 4.0            | 3.9            | 3.3            | 4.6            | 2.9            | 0.6            | 3.7            | 2.4            | 6.6            | 7.4            |
| 1.1 Currency outside banks                       | 6.8            | 6.7            | 6.7            | 3.9            | 4.8            | 5.4            | 5.2            | 5.3            | 2.5            | 4.8            | 3.1            | 2.2            | 1.6            |
| 1.2 Demand deposits                              | 9.4            | 9.7            | 3.0            | 4.2            | 4.9            | 3.1            | 3.0            | 1.5            | -0.8           | 2.6            | 1.4            | 5.0            | 4.5            |
| 1.3 Other deposits at CBK <sup>1</sup>           | -13.3          | -7.3           | 20.6           | 0.8            | -15.3          | 0.0            | 28.5           | 22.2           | 18.5           | 24.9           | 17.9           | 73.2           | 100.1          |
| 2. Money supply, M2 (1+2.1)                      | 8.2            | 8.3            | 5.6            | 5.4            | 5.9            | 7.5            | 7.8            | 7.2            | 6.2            | 7.6            | 6.5            | 8.0            | 8.4            |
| 2.1 Time and saving deposits                     | 8.4            | 8.1            | 7.1            | 7.2            | 8.3            | 12.8           | 11.6           | 12.2           | 12.8           | 12.2           | 11.4           | 9.7            | 9.6            |
| 3. Money supply, M3 (2+3.1)                      | 8.8            | 7.9            | 5.9            | 5.5            | 7.5            | 10.4           | 10.1           | 9.1            | 8.5            | 9.1            | 8.4            | 10.1           | 10.5           |
| 3.1 Foreign Currency Deposits                    | 12.3           | 5.7            | 7.7            | 5.7            | 16.4           | 25.8           | 22.6           | 19.4           | 20.7           | 17.4           | 18.6           | 21.5           | 21.6           |
| <b>COUNTERPARTS OF M3</b>                        |                |                |                |                |                |                |                |                |                |                |                |                |                |
| <b>1. Net foreign assets<sup>1/2</sup></b>       | <b>1.4</b>     | <b>-3.2</b>    | <b>16.0</b>    | <b>6.8</b>     | <b>10.3</b>    | <b>17.8</b>    | <b>23.0</b>    | <b>20.8</b>    | <b>21.6</b>    | <b>22.3</b>    | <b>29.4</b>    | <b>38.3</b>    | <b>35.0</b>    |
| 1.1 Central Bank                                 | 1.5            | 1.4            | 15.1           | 8.6            | 8.6            | 6.1            | 13.1           | 13.1           | 10.6           | 15.3           | 15.1           | 17.9           | 18.0           |
| 1.2 Banking Institutions                         | 1.8            | 26.8           | 9.6            | 22.6           | -3.0           | -72.1          | -53.8          | -46.1          | -69.0          | -28.0          | -60.7          | -77.1          | -61.7          |
| <b>2. Net domestic assets (2.1+2.2)</b>          | <b>10.5</b>    | <b>10.5</b>    | <b>3.2</b>     | <b>5.1</b>     | <b>6.7</b>     | <b>8.3</b>     | <b>6.7</b>     | <b>6.2</b>     | <b>5.1</b>     | <b>6.1</b>     | <b>3.9</b>     | <b>4.4</b>     | <b>5.4</b>     |
| 2.1 Domestic credit                              | 7.8            | 8.1            | 3.2            | 7.1            | 5.9            | 6.7            | 5.7            | 5.8            | 5.8            | 7.0            | 4.8            | 4.6            | 5.4            |
| 2.1.1 Government (net)                           | 31.9           | 30.7           | 7.1            | 25.4           | 13.4           | 15.3           | 11.5           | 12.5           | 14.2           | 17.4           | 11.9           | 13.6           | 15.7           |
| 2.1.2 Private sector                             | 1.9            | 2.2            | 2.1            | 2.9            | 3.9            | 4.3            | 4.3            | 4.3            | 3.8            | 4.4            | 3.0            | 2.4            | 3.0            |
| 2.1.3 Other public sector                        | 4.0            | 8.4            | 6.4            | 4.4            | 8.3            | 4.7            | -2.1           | -2.7           | -4.7           | -6.3           | -4.8           | -10.2          | -12.7          |
| 2.2 Other items net                              | -0.3           | 0.9            | 3.2            | 13.5           | 3.5            | 1.3            | 2.1            | 4.8            | 7.9            | 10.1           | 7.7            | 5.4            | 5.5            |
| <b>Memorandum items</b>                          |                |                |                |                |                |                |                |                |                |                |                |                |                |
| 1. Reserve money                                 | 8.3            | 6.3            | 0.8            | 2.7            | 5.5            | 7.4            | 2.1            | 6.6            | 6.0            | 7.4            | 9.0            | 12.1           | 5.4            |
| Bank reserves                                    | 9.7            | 6.0            | -4.7           | 1.5            | 6.1            | 9.6            | -1.0           | 7.9            | 9.4            | 10.0           | 15.4           | 22.7           | 8.9            |
| 2. Overall liquidity, L (3+2.1.0)                | 10.5           | 10.0           | 8.4            | 8.9            | 10.4           | 12.1           | 12.0           | 11.0           | 10.8           | 10.5           | 10.1           | 11.0           | 11.6           |
| 2.1.0 Non-bank holdings of government securities | 15.5           | 16.1           | 15.8           | 19.3           | 19.0           | 17.3           | 17.5           | 16.4           | 17.4           | 14.7           | 14.7           | 13.5           | 14.8           |

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

<sup>1</sup> Includes county deposits and special projects deposit

<sup>2</sup> Net Foreign Assets of CBK excludes Government accounts with IMF

Source: Central Bank of Kenya

## MONEY, CREDIT AND INTEREST RATES

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

|   | Jan-18**       | Feb-18**       | Mar-8**        | Apr-18**       | May-18**     | Jun-18**       | July-18**      | Aug-18**       | Sept-18**      | Oct-18**       | Nov-18**       | Dec-18*        | Jan-19*        |
|---|----------------|----------------|----------------|----------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>1. Credit to Government</b>          | <b>771.8</b>   | <b>792.3</b>   | <b>624.9</b>   | <b>676.4</b>   | 669.5        | <b>745.1</b>   | 766.7          | <b>780.5</b>   | <b>770.2</b>   | <b>840.7</b>   | <b>828.6</b>   | <b>858.2</b>   | <b>892.7</b>   |
| Central Bank                            | -66.6          | -95.9          | -256.9         | -209.7         | -239.1       | -204.4         | -235.4         | -193.1         | -214.6         | -156.8         | -157.8         | -95.1          | -105.5         |
| Commercial Banks & NBFIs                | 838.4          | 888.2          | 881.8          | 886.1          | 908.6        | 949.5          | 1,002.1        | 973.6          | 984.9          | 997.5          | 986.4          | 953.3          | 998.2          |
| <b>2. Credit to other public sector</b> | <b>115.0</b>   | <b>113.5</b>   | <b>112.7</b>   | <b>112.7</b>   | <b>113.2</b> | <b>111.9</b>   | <b>108.7</b>   | <b>108.4</b>   | <b>108.3</b>   | <b>105.6</b>   | <b>107.0</b>   | <b>100.9</b>   | <b>100.4</b>   |
| County government                       | 4.2            | 4.2            | 4.2            | 4.2            | 4.4          | 4.4            | 4.4            | 4.4            | 4.4            | 4.3            | 4.3            | 4.3            | 4.4            |
| Parastatals                             | 110.8          | 109.3          | 108.5          | 108.4          | 108.8        | 107.5          | 104.3          | 104.0          | 104.0          | 101.2          | 102.7          | 96.6           | 96.0           |
| <b>3. Credit to private sector</b>      | <b>2,352.3</b> | <b>2,346.5</b> | <b>2,343.0</b> | <b>2,349.7</b> | 2,371.3      | <b>2,380.4</b> | <b>2,383.1</b> | <b>2,389.9</b> | <b>2,404.0</b> | <b>2,422.4</b> | <b>2,423.3</b> | <b>2,422.0</b> | <b>2,421.7</b> |
| Agriculture                             | 84.8           | 84.3           | 82.9           | 82.3           | 83.1         | 83.0           | 82.7           | 84.6           | 85.0           | 83.2           | 84.4           | 83.0           | 84.6           |
| Manufacturing                           | 310.1          | 312.0          | 313.6          | 312.8          | 324.8        | 321.1          | 323.4          | 329.5          | 334.8          | 350.7          | 344.2          | 334.6          | 330.3          |
| Trade                                   | 407.4          | 403.9          | 405.1          | 407.4          | 412.0        | 423.9          | 418.6          | 418.9          | 424.5          | 428.5          | 433.1          | 429.3          | 434.4          |
| Building and construction               | 112.5          | 113.4          | 116.3          | 116.1          | 114.8        | 116.5          | 117.4          | 120.3          | 120.9          | 119.3          | 119.6          | 114.0          | 114.1          |
| Transport & communications              | 182.3          | 171.5          | 163.3          | 162.9          | 164.1        | 165.1          | 166.8          | 169.0          | 169.4          | 170.8          | 171.0          | 172.7          | 170.5          |
| Finance & insurance                     | 83.3           | 86.5           | 86.7           | 86.2           | 87.7         | 88.6           | 92.1           | 89.4           | 89.5           | 88.0           | 89.1           | 96.5           | 96.1           |
| Real estate                             | 371.8          | 373.1          | 370.8          | 371.5          | 373.2        | 373.7          | 376.9          | 365.4          | 369.1          | 371.6          | 365.0          | 368.7          | 362.1          |
| Mining and quarrying                    | 16.1           | 15.3           | 15.1           | 14.7           | 14.5         | 13.9           | 14.9           | 14.1           | 14.0           | 14.8           | 15.2           | 14.7           | 13.8           |
| Private households                      | 391.9          | 390.9          | 393.4          | 398.4          | 398.9        | 399.4          | 398.6          | 399.0          | 404.9          | 407.5          | 410.9          | 415.1          | 414.0          |
| Consumer durables                       | 177.9          | 178.5          | 180.6          | 181.1          | 182.3        | 181.4          | 183.7          | 189.4          | 184.4          | 188.3          | 192.2          | 195.8          | 205.3          |
| Business services                       | 149.0          | 148.9          | 149.9          | 150.3          | 152.7        | 151.4          | 146.8          | 149.7          | 146.0          | 149.8          | 151.4          | 150.4          | 149.0          |
| Other activities                        | 65.0           | 68.2           | 65.2           | 65.9           | 63.3         | 62.3           | 61.4           | 60.6           | 61.3           | 50.0           | 47.4           | 47.1           | 47.3           |
| <b>4. TOTAL (1+2+3)</b>                 | <b>3,239.1</b> | <b>3,252.3</b> | <b>3,080.6</b> | <b>3,138.8</b> | 3,154.0      | <b>3,237.3</b> | <b>3,258.5</b> | <b>3,278.8</b> | <b>3,282.5</b> | <b>3,368.7</b> | <b>3,358.9</b> | <b>3,381.1</b> | <b>3,414.8</b> |
| <b>ANNUAL GROWTH RATE (Per cent)</b>    |                |                |                |                |              |                |                |                |                |                |                |                |                |
| <b>1. Credit to Government</b>          | <b>31.9</b>    | <b>30.7</b>    | <b>7.1</b>     | <b>25.4</b>    | 13.4         | <b>15.3</b>    | <b>11.5</b>    | <b>12.5</b>    | <b>14.2</b>    | <b>17.4</b>    | <b>17.4</b>    | <b>13.6</b>    | <b>15.7</b>    |
| Central Bank                            | -34.5          | 43.4           | 119.1          | 9.7            | 26.3         | 14.3           | 99.2           | 67.9           | 28.1           | 35.9           | 35.9           | 42.1           | 58.4           |
| Commercial Banks & NBFIs                | 22.1           | 31.9           | 25.8           | 21.3           | 16.6         | 15.1           | 24.4           | 20.4           | 17.0           | 19.9           | 19.9           | 15.9           | 19.1           |
| <b>2. Credit to other public sector</b> | <b>4.0</b>     | <b>8.4</b>     | <b>6.4</b>     | <b>4.4</b>     | <b>8.3</b>   | <b>4.7</b>     | <b>-2.1</b>    | <b>-2.7</b>    | <b>-4.7</b>    | <b>-6.3</b>    | <b>-6.3</b>    | <b>-10.2</b>   | <b>-12.7</b>   |
| Local government                        | 7.1            | 9.3            | 9.9            | 9.5            | 12.2         | 11.9           | -11.4          | 7.2            | 3.6            | 5.4            | 5.4            | 9.2            | 4.4            |
| Parastatals                             | 3.9            | 8.3            | 6.3            | 4.2            | 8.1          | 4.4            | -1.7           | -3.1           | -5.1           | -6.8           | -6.8           | -10.9          | -13.3          |
| <b>3. Credit to private sector</b>      | <b>1.9</b>     | <b>2.2</b>     | <b>2.1</b>     | <b>2.9</b>     | 3.9          | <b>4.3</b>     | <b>4.3</b>     | <b>4.3</b>     | <b>3.8</b>     | <b>4.4</b>     | <b>4.4</b>     | <b>2.4</b>     | <b>3.0</b>     |
| Agriculture                             | -7.6           | -12.9          | -6.2           | -4.4           | -3.3         | -4.7           | -6.5           | -4.3           | -6.0           | -5.6           | -5.7           | -2.0           | -0.2           |
| Manufacturing                           | 12.0           | 13.1           | 11.2           | 10.1           | 12.1         | 12.2           | 11.5           | 13.2           | 11.9           | 14.8           | 14.9           | 6.5            | 6.5            |
| Trade                                   | 5.1            | 6.8            | 5.4            | 5.0            | 6.8          | 8.5            | 6.5            | 6.9            | 3.2            | 4.0            | 3.9            | 2.9            | 6.6            |
| Building and construction               | 5.4            | 4.8            | 12.6           | 14.3           | 9.2          | 13.3           | 13.5           | 14.7           | 11.1           | 7.1            | 7.2            | 1.8            | 1.4            |
| Transport & communications              | -10.9          | -13.9          | -18.4          | -17.8          | -14.9        | -12.7          | -10.7          | -11.0          | -9.1           | -7.7           | -8.0           | -9.4           | -6.5           |
| Finance & insurance                     | -1.3           | 4.9            | 11.6           | 10.1           | 2.6          | 3.8            | 8.5            | 3.5            | 6.6            | 9.1            | 9.1            | 17.5           | 15.4           |
| Real estate                             | 8.2            | 8.4            | 4.5            | 3.6            | 3.7          | 3.8            | 4.3            | 0.9            | 1.7            | 1.2            | 1.2            | -0.5           | -2.6           |
| Mining and quarrying                    | -6.7           | -6.7           | -2.7           | -4.4           | -3.5         | -9.1           | 0.2            | -9.1           | -15.5          | -11.6          | -12.0          | -10.7          | -14.5          |
| Private households                      | -1.4           | -2.7           | -0.7           | 2.6            | 3.8          | 2.9            | 2.9            | 2.7            | 5.1            | 5.1            | 5.1            | 6.8            | 5.6            |
| Consumer durables                       | 1.4            | 2.3            | 4.7            | 5.0            | 5.5          | 7.8            | 9.1            | 11.5           | 7.8            | 7.6            | 7.3            | 11.0           | 15.4           |
| Business services                       | 0.0            | -0.3           | -0.5           | 2.8            | 11.0         | 6.7            | 3.3            | 6.5            | 4.3            | 12.1           | 12.4           | 8.0            | 0.0            |
| Other activities                        | -10.6          | -2.2           | -6.3           | -2.2           | -7.5         | -7.9           | -5.8           | -4.6           | 2.7            | -12.4          | -14.7          | -34.8          | -27.2          |
| <b>4. TOTAL (1+2+3)</b>                 | <b>7.8</b>     | <b>8.1</b>     | <b>3.2</b>     | <b>7.1</b>     | <b>5.9</b>   | <b>6.7</b>     | <b>5.7</b>     | <b>5.8</b>     | <b>5.8</b>     | <b>7.0</b>     | <b>7.0</b>     | <b>4.6</b>     | <b>5.4</b>     |

Source: Central Bank of Kenya

## MONEY, CREDIT AND INTEREST RATES

**Table 2.3: Interest Rates (Per cent)**

|             | Central Bank Rates |        |               |            |       | Government T. bill Rates |         |          | Commercial Bank Rates |          |          |          |            |
|-------------|--------------------|--------|---------------|------------|-------|--------------------------|---------|----------|-----------------------|----------|----------|----------|------------|
|             | Repo               |        | Reverse Repos | Inter-bank | CBR   | KBRR                     | 91-days | 182 days | 364 days              | De-posit | Sav-ings | Lend-ing | Over-draft |
|             | 7 days             | 3 days |               |            |       |                          |         |          |                       |          |          |          |            |
| <b>2016</b> |                    |        |               |            |       |                          |         |          |                       |          |          |          |            |
| 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      |
| <b>2017</b> |                    |        |               |            |       |                          |         |          |                       |          |          |          |            |
| 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    | 10.376   | 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                 | 7.72     | 6.40     | 13.70    | 13.65      |
| August      | 8.90               | -      | 10.29         | 8.10       | 10.00 | -                        | 8.17    | 10.319   | 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    | 10.331   | 10.98                 | 8.01     | 6.92     | 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         | 7.27       | 10.00 | -                        | 8.01    | 10.528   | 11.08                 | 8.22     | 6.91     | 13.64    | 13.54      |
| <b>2018</b> |                    |        |               |            |       |                          |         |          |                       |          |          |          |            |
| January     | 8.75               | -      | 10.02         | 6.21       | 10.00 | -                        | 8.04    | 10.64    | 11.16                 | 8.26     | 6.97     | 13.65    | 13.61      |
| February    | 7.63               | -      | 10.05         | 5.12       | 10.00 | -                        | 8.03    | 10.42    | 11.15                 | 8.25     | 7.01     | 13.68    | 13.75      |
| March       | 0.00               | -      | 9.95          | 4.90       | 9.50  | -                        | 8.02    | 10.39    | 10.13                 | 8.16     | 6.85     | 13.49    | 13.40      |
| April       | 6.75               | -      | 9.64          | 5.38       | 9.50  | -                        | 8.00    | 10.30    | 11.13                 | 8.17     | 6.72     | 13.24    | 13.29      |
| May         | 7.44               | -      | 9.60          | 4.70       | 9.50  | -                        | 7.96    | 10.26    | 11.14                 | 8.08     | 6.64     | 13.25    | 13.30      |
| June        | 6.16               | -      | 9.56          | 5.03       | 9.50  | -                        | 7.87    | 9.99     | 10.87                 | 8.04     | 6.60     | 13.22    | 13.23      |
| July        | 6.56               | -      | 9.46          | 4.82       | 9.00  | -                        | 7.69    | 9.35     | 10.33                 | 8.01     | 6.53     | 13.10    | 13.16      |
| August      | 8.01               | -      | 9.02          | 6.52       | 9.00  | -                        | 7.64    | 9.00     | 9.98                  | 7.78     | 6.52     | 12.78    | 12.90      |
| September   | 4.77               | -      | 9.03          | 4.28       | 9.00  | -                        | 7.64    | 8.82     | 9.76                  | 7.76     | 6.33     | 12.66    | 12.52      |
| October     | 4.70               | -      | 9.06          | 3.48       | 9.00  | -                        | 7.56    | 8.51     | 9.60                  | 7.57     | 5.70     | 12.61    | 12.42      |
| November    | 7.10               | -      | -             | 4.09       | 9.00  | -                        | 7.36    | 8.30     | 9.53                  | 7.41     | 5.38     | 12.55    | 12.11      |
| December    | 7.72               | -      | 11.34         | 8.15       | 9.00  | -                        | 7.34    | 8.40     | 9.68                  | 7.41     | 5.13     | 12.51    | 12.17      |
| <b>2019</b> |                    |        |               |            |       |                          |         |          |                       |          |          |          |            |
| January     | 3.70               | -      | -             | 3.32       | 9.00  | -                        | 7.19    | 8.92     | 9.96                  | 7.34     | 5.14     | 12.50    | 12.15      |

**CBR - Central Bank Rate**

**KBRR - Kenya Bank's Reference Rate - Revoked from January 2017**

**REPO - Repurchase Agreement**

**Source: Central Bank of Kenya**

### 3. REAL SECTOR INDICATORS

**Table 3.1: Selected Indicators of Economic Activity**

|  | Jan-18  | Feb-18  | Mar-18  | Apr-18  | May-18  | June-18 | July-18 | Aug-18  | Sept-18 | Oct-18  | Nov-18  | Dec-18* | Jan-19* |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>Agriculture</b>   |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Horticulture, exports (tonnes)                                 | 27,278  | 35,773  | 37,475  | 34,365  | 28,816  | 33,411  | 44,355  | 35,073  | 28,776  | 27,321  | 24,493  | 24,264  | 31,537  |
| Fresh vegetables   | 11,036  | 12,679  | 10,117  | 10,250  | 8,468   | 15,504  | 25,421  | 18,862  | 11,360  | 12,846  | 11,886  | 10,126  | 11,625  |
| Fruits and nuts  | 5,036   | 10,068  | 15,435  | 14,161  | 10,217  | 9,511   | 9,424   | 9,174   | 7,405   | 3,416   | 3,463   | 4,339   | 5,598   |
| Cut flowers  | 11,206  | 13,026  | 11,923  | 9,954   | 10,131  | 8,395   | 9,510   | 7,037   | 10,011  | 11,059  | 9,144   | 9,799   | 14,314  |
| Horticulture, exports (KSh Millions)                           | 7,349   | 9,380   | 9,489   | 8,567   | 8,606   | 8,555   | 9,501   | 7,421   | 8,201   | 7,517   | 6,230   | 6,619   | 8,750   |
| Fresh vegetables   | 2,117   | 2,009   | 1,882   | 1,860   | 2,038   | 2,172   | 2,775   | 2,037   | 2,079   | 2,064   | 1,863   | 2,086   | 2,445   |
| Fruits and nuts  | 799     | 1,285   | 2,521   | 2,791   | 2,498   | 3,007   | 2,984   | 2,654   | 2,225   | 1,220   | 841     | 730     | 973     |
| Cut flowers  | 4,433   | 6,086   | 5,086   | 3,916   | 4,070   | 3,375   | 3,741   | 2,730   | 3,897   | 4,233   | 3,527   | 3,802   | 5,331   |
| Tea, production (tonnes)                                       | 40,834  | 27,939  | 30,987  | 44,580  | 43,356  | 43,299  | 35,278  | 37,433  | 42,531  | 49,284  | 45,649  | 51,830  |         |
| Coffee, sales (tonnes) <sup>1</sup>                            | 5,112   | 5,832   | 4,913   | 4,194   | 4,620   | -       | 1,221   | 2,235   | 2,299   | 2,310   | ...     | 1,577   |         |
| Cane, deliveries ('000 tonnes)                                 | 687     | 557     | 444     | 394     | 297     | 316     | 382     | 440     | 435     | 498     | 476     | 477     |         |
| Milk intake, formal sector (million litres)                    | 52      | 47      | 50      | 52      | 52      | 52      | 55      | 53      | 52      | 53      | 55      | 59      |         |
| <b>Manufacturing</b>   |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Sugar, production (tonnes)                                     | 62,819  | 53,833  | 49,148  | 36,682  | 28,933  | 28,320  | 30,105  | 35,646  | 37,652  | 45,324  | 38,768  | ...     | ...     |
| Soft drinks, production (million litres)                       | 52,062  | 49,685  | 49,140  | 45,690  | 40,699  | 43,260  | 43,725  | 48,795  | 43,116  | 42,049  | ...     | ...     |         |
| Galvanised sheets, production (tonnes)                         | 23,919  | 21,890  | 22,048  | 21,434  | 22,271  | 21,434  | 22,510  | 21,847  | 22,425  | 23,906  | 22,877  | ...     | ...     |
| Cement, production (tonnes)                                    | 494,709 | 490,020 | 476,730 | 474,740 | 452,034 | 454,322 | 465,575 | 473,861 | 460,546 | 470,524 | 460,967 | 461,922 | ...     |
| Assembled vehicles, production (units)                         | 395     | 529     | 548     | 409     | 407     | 366     | 498     | 303     | 419     | 434     | ...     | ...     |         |
| <b>Electricity</b>   |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Electricity, generation (million KWH)                          | 899     | 836     | 903     | 886     | 918     | 914     | 947     | 964     | 925     | 960     | 957     | 931     |         |
| Hydro  | 223     | 193     | 248     | 317     | 386     | 401     | 420     | 417     | 392     | 365     | 340     | 283     |         |
| Geo-thermal  | 430     | 387     | 448     | 428     | 447     | 430     | 438     | 427     | 440     | 432     | 398     | 423     |         |
| Thermal  | 242     | 249     | 202     | 139     | 83      | 82      | 87      | 117     | 85      | 87      | 80      | 92      |         |
| Wind   | 3       | 7       | 4       | 3       | 2       | 1       | 2       | 3       | 7       | 75      | 139     | 133     |         |
| <b>Construction</b>  |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Cement, consumption (tonnes)                                   | 466,160 | 461,099 | 482,910 | 453,578 | 436,772 | 447,381 | 458,159 | 466,909 | 456,473 | 468,284 | 458,659 | 456,491 |         |
| Electricity, consumption (million KWH)                         | 731     | 685     | 746     | 688     | 712     | 727     | 694     | 730     | 741     | 738     | 751     | 715     |         |
| <b>Transport and Storage</b>                                   |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Visitor arrivals (Actual no.)                                  | 76,649  | 83,651  | 75,973  | 56,041  | 75,028  | 76,608  | 126,797 | 114,989 | 90,640  | 95,433  | 98,045  | 108,178 | 77,932  |
| JKIA - Nairobi   | 61,137  | 70,169  | 61,652  | 49,388  | 70,981  | 71,461  | 115,908 | 100,698 | 81,052  | 83,241  | 83,097  | 87,702  | 66,859  |
| MIA - Mombasa  | 15,512  | 13,482  | 14,321  | 6,653   | 4,047   | 5,147   | 10,889  | 14,291  | 9,588   | 12,192  | 14,948  | 20,476  | 11,073  |
| <b>Fuel Prices (Average Retail)</b>                            |         |         |         |         |         |         |         |         |         |         |         |         |         |
| Crude oil price, Murban Adnoc (Abu Dhabi FOB), US\$ per barrel | 66      | 66      | 66      | 71      | 77      | 73      | 76      | 75      | 79      | 81      | 68      | 59      |         |
| Premium fuel (KSh per Litre)                                   | 107     | 109     | 108     | 108     | 108     | 110     | 113     | 115     | 118     | 116     | 118     | 114     |         |
| Diesel Oil (KSh per Litre)                                     | 96      | 98      | 99      | 99      | 100     | 105     | 104     | 104     | 109     | 111     | 109     | 112     |         |
| Kerosene (KSh per Litre)                                       | 76      | 78      | 78      | 78      | 79      | 85      | 87      | 86      | 109     | 110     | 109     | 106     |         |
| L.P.G (KSh per 13Kg)   | 2,140   | 2,150   | 2,169   | 2,172   | 2,164   | 2,171   | 2,176   | 2,177   | 2,187   | 2,186   | 2,141   | 2,193   |         |
| Charcoal (KSh per 4Kg tin)                                     | 83      | 84      | 107     | 125     | 136     | 138     | 137     | 138     | 141     | 141     | 141     | 142     |         |

<sup>1</sup>The Nairobi Coffee Exchange was in recess in June/July 2017.

**Source:** Kenya National Bureau of Statistics

“To be a World Class Modern Central Bank”

## 4. BALANCE OF PAYMENTS AND EXTERNAL SECTOR INDICATORS

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

| Cumulative 12-months <sup>1)</sup>                   | Jan-18**        | Feb-18**        | Mar-18**        | Apr-18**        | May-18**        | Jun-18**        | Jul-18**        | Aug-18**        | Sep-19*         | Oct-18*         | Nov-18*         | Dec-18**        | Jan-19*         |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>A. Current Account, n.i.e.</b>                    | <b>-4,974.6</b> | <b>-4,965.9</b> | <b>-5,082.7</b> | <b>-5,111.9</b> | <b>-5,160.8</b> | <b>-5,082.7</b> | <b>-5,004.4</b> | <b>-4,906.1</b> | <b>-4,791.6</b> | <b>-4,731.1</b> | <b>-4,685.6</b> | <b>-4,452.8</b> | <b>-4,176.8</b> |
| Goods: exports f.o.b.                                | 5,840.7         | 5,942.9         | 5,922.2         | 5,984.8         | 6,024.3         | 6,052.6         | <b>6,067.2</b>  | 6,173.2         | 6,150.4         | 6,169.5         | 6,152.6         | 6,105.7         | 6,112.6         |
| Goods: imports f.o.b.                                | 16,032.5        | 16,015.3        | 16,106.6        | 16,322.4        | 16,509.6        | 16,519.7        | <b>16,413.2</b> | 16,479.5        | 16,388.4        | 16,388.7        | 16,477.3        | 16,324.5        | 16,332.5        |
| Services: credit                                     | 4,695.5         | 4,645.4         | 4,710.7         | 4,799.8         | 4,838.9         | 4,896.9         | <b>4,903.4</b>  | 5,009.4         | 5,087.7         | 5,266.0         | 5,424.9         | 5,570.9         | 5,732.6         |
| Services: debit                                      | 3,156.1         | 3,252.7         | 3,330.2         | 3,384.7         | 3,466.3         | 3,508.3         | <b>3,578.7</b>  | 3,617.4         | 3,642.2         | 3,727.1         | 3,803.0         | 3,873.6         | 3,880.8         |
| Balance on goods and services                        | -8,652.4        | -8,679.8        | -8,804.0        | -8,922.5        | -9,112.7        | -9,078.4        | <b>-9,021.3</b> | -8,914.2        | -8,792.4        | -8,680.4        | -8,702.8        | -8,521.5        | -8,368.2        |
| Primary income: credit                               | 412.0           | 416.5           | 422.0           | 441.4           | 460.3           | 479.2           | <b>492.1</b>    | 504.1           | 515.6           | 524.8           | 534.8           | 544.8           | 543.2           |
| Primary income: debit                                | 1,228.4         | 1,238.3         | 1,263.0         | 1,309.1         | 1,267.3         | 1,344.7         | <b>1,394.3</b>  | 1,483.5         | 1,441.0         | 1,525.3         | 1,521.3         | 1,475.4         | 1,451.7         |
| Balance on goods, services, and primary income       | -9,468.8        | -9,501.5        | -9,645.1        | -9,790.3        | -9,919.6        | -9,943.9        | <b>-9,923.6</b> | -9,893.5        | -9,717.8        | -9,680.9        | -9,689.4        | -9,452.1        | -9,276.7        |
| Secondary income, n. i. e.: credit                   | 4,550.3         | 4,586.7         | 4,614.7         | 4,732.3         | 4,811.1         | 4,913.2         | <b>4,972.4</b>  | 5,041.7         | 4,978.3         | 5,001.3         | 5,053.8         | 5,047.4         | 5,148.9         |
| Secondary income: debit                              | 56.1            | 51.1            | 52.3            | 53.8            | 52.3            | 52.0            | <b>53.2</b>     | 54.3            | 52.1            | 51.5            | 50.0            | 48.2            | 49.0            |
| <b>B. Capital Account, n.i.e.</b>                    | <b>161.6</b>    | <b>197.3</b>    | <b>187.8</b>    | <b>237.3</b>    | <b>270.9</b>    | <b>258.7</b>    | <b>275.5</b>    | <b>285.1</b>    | <b>296.5</b>    | <b>293.1</b>    | <b>272.9</b>    | <b>253.7</b>    | <b>237.6</b>    |
| Capital account, n.i.e.: credit                      | 161.6           | 197.3           | 187.8           | 237.3           | 270.9           | 258.7           | <b>275.5</b>    | 285.1           | 296.5           | 293.1           | 272.9           | 253.7           | 237.6           |
| Capital account: debit                               | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             | <b>0.0</b>      | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             |
| <b>C. Financial Account, n.i.e.</b>                  | <b>-4,724.5</b> | <b>-4,741.1</b> | <b>-5,682.2</b> | <b>-5,212.4</b> | <b>-5,023.5</b> | <b>-4,636.8</b> | <b>-4,986.1</b> | <b>-5,322.2</b> | <b>-5,329.9</b> | <b>-5,526.4</b> | <b>-5,686.5</b> | <b>-6,155.6</b> | <b>-6,116.3</b> |
| Direct investment: assets                            | 241.7           | 218.1           | 195.6           | 167.2           | 138.3           | 120.2           | <b>105.7</b>    | 97.0            | 90.4            | 85.1            | 77.6            | 70.6            | 74.1            |
| Direct investment: liabilities, n.i.e.               | 680.1           | 675.8           | 592.4           | 608.6           | 645.4           | 703.8           | <b>712.6</b>    | 722.7           | 925.8           | 977.9           | 993.8           | 1,005.7         | 975.9           |
| Portfolio investment: assets                         | 692.2           | 722.1           | 732.7           | 783.2           | 812.6           | 871.9           | <b>925.5</b>    | 925.3           | 945.3           | 1,029.7         | 1,047.2         | 1,082.4         | 1,084.1         |
| Equity and investment fund shares                    | 685.4           | 715.3           | 720.9           | 765.1           | 787.6           | 840.4           | <b>893.5</b>    | 893.6           | 909.1           | 990.1           | 1,002.0         | 1,029.2         | 1,030.0         |
| Debt securities                                      | 6.8             | 6.9             | 11.8            | 18.2            | 25.0            | 31.6            | <b>32.0</b>     | 31.7            | 36.2            | 39.7            | 45.2            | 53.2            | 54.0            |
| Portfolio investment: liabilities, n.i.e.            | -140.3          | -195.2          | 1,789.7         | 1,767.5         | 1,745.9         | 1,730.6         | <b>1,729.4</b>  | 1,745.5         | 1,771.6         | 1,724.6         | 1,723.2         | 1,707.9         | 1,708.8         |
| Equity and investment fund shares                    | -141.8          | -196.7          | -210.8          | -233.0          | -254.7          | -270.0          | <b>-271.2</b>   | -255.2          | -229.0          | -276.1          | -277.6          | -293.0          | -292.1          |
| Debt securities                                      | 1.5             | 1.5             | 2,000.6         | 2,000.6         | 2,000.6         | 2,000.6         | <b>2,000.6</b>  | 2,000.7         | 2,000.7         | 2,000.7         | 2,000.9         | 2,000.9         | 2,001.0         |
| Financial derivatives: net                           | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             | <b>0.0</b>      | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             |
| Other investment: assets                             | -49.9           | -186.2          | 131.6           | 89.7            | 333.1           | 784.1           | <b>787.6</b>    | 659.9           | 926.3           | 801.4           | 1,011.8         | 1,033.3         | 1,043.3         |
| Other investment: liabilities, n.i.e.                | 5,068.7         | 5,014.5         | 4,360.0         | 3,876.4         | 3,916.3         | 3,978.7         | <b>4,362.8</b>  | 4,536.3         | 4,594.5         | 4,740.1         | 5,106.0         | 5,628.3         | 5,633.0         |
| <i>of which</i>                                      |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Other debt instruments                               | 5,076.2         | 5,021.8         | 4,367.2         | 3,883.5         | 3,923.4         | 3,985.8         | <b>4,370.0</b>  | 4,543.6         | 4,601.9         | 4,747.7         | 5,113.8         | 5,113.8         | 5,113.8         |
| Deposit-taking corporations, except the central bank | -67.6           | 50.2            | 186.0           | 265.1           | 285.8           | 58.5            | <b>328.9</b>    | 279.0           | 383.1           | 636.2           | 573.8           | 351.1           | 340.8           |
| General government                                   | 2,627.5         | 2,395.6         | 1,655.1         | 1,055.5         | 1,129.2         | 1,418.1         | <b>1,440.1</b>  | 1,641.0         | 1,594.3         | 1,417.6         | 1,835.5         | 2,449.3         | 2,467.9         |
| Other sectors  | 2,534.8         | 2,568.0         | 2,551.0         | 2,609.2         | 2,663.4         | 2,765.5         | <b>2,817.8</b>  | 2,772.5         | 2,814.2         | 2,902.6         | 2,870.0         | 3,004.5         | 2,999.5         |
| Nonfinancial corporations, households, and NPISHs    | 2,534.8         | 2,568.0         | 2,551.0         | 2,609.2         | 2,663.4         | 2,765.5         | <b>2,817.8</b>  | 2,772.5         | 2,814.2         | 2,902.6         | 2,870.0         | 3,004.5         | 2,999.5         |
| <b>D. Net Errors and Omissions</b>                   | <b>206.9</b>    | <b>157.7</b>    | <b>267.0</b>    | <b>499.4</b>    | <b>677.6</b>    | <b>683.9</b>    | <b>841.3</b>    | <b>539.9</b>    | <b>-50.5</b>    | <b>255.0</b>    | <b>-200.8</b>   | <b>-912.3</b>   | <b>-1,278.7</b> |
| <b>E. Overall Balance</b>                            | <b>-118.5</b>   | <b>-130.2</b>   | <b>-1,054.3</b> | <b>-837.2</b>   | <b>-811.3</b>   | <b>-496.6</b>   | <b>-1,098.6</b> | <b>-1,241.1</b> | <b>-784.3</b>   | <b>-1,361.2</b> | <b>-1,073.0</b> | <b>-1,044.2</b> | <b>-898.4</b>   |
| <b>F. Reserves and Related Items</b>                 | <b>118.5</b>    | <b>130.2</b>    | <b>1,054.3</b>  | <b>837.2</b>    | <b>811.3</b>    | <b>496.6</b>    | <b>1,098.6</b>  | <b>1,241.1</b>  | <b>784.3</b>    | <b>1,361.2</b>  | <b>1,073.0</b>  | <b>1,044.2</b>  | <b>898.4</b>    |
| Reserve assets                                       | 48.3            | 56.8            | 983.0           | 745.6           | 699.6           | 374.6           | <b>968.1</b>    | 1,102.7         | 645.8           | 1,212.5         | 914.2           | 884.7           | 727.2           |
| Credit and loans from the IMF                        | -70.2           | -73.4           | -71.3           | -91.6           | -111.7          | -122.0          | <b>-130.5</b>   | -138.4          | -138.4          | -148.7          | -158.9          | -159.5          | -171.2          |
| Exceptional financing                                | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             | <b>0.0</b>      | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             | 0.0             |

<sup>1)</sup>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 <sup>1</sup>                        |          |          |        |         |       | UNITS OF CURRENCY PER KENYA SHILLING <sup>2</sup> |      |       |
| <b>2017</b>  |          |          |        |         |       |   |      |       |
| 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 |
| <b>2018</b>  |          |          |        |         |       |   |      |       |
| January  | 102.92   | 141.95   | 125.37 | 8.42    | 35.37 | 21.81   | 8.23 | 17.13 |
| February   | 101.40   | 141.72   | 125.29 | 8.57    | 35.87 | 22.20   | 8.44 | 17.40 |
| March  | 101.18   | 141.24   | 124.68 | 8.54    | 36.16 | 22.31   | 8.49 | 17.45 |
| April  | 100.61   | 141.86   | 123.65 | 8.33    | 36.73 | 22.58   | 8.61 | 17.52 |
| May  | 100.67   | 135.68   | 118.96 | 8.02    | 37.00 | 22.67   | 8.62 | 17.52 |
| June   | 101.00   | 134.24   | 117.97 | 7.62    | 38.05 | 22.54   | 8.63 | 17.45 |
| July   | 100.67   | 132.58   | 117.60 | 7.50    | 37.41 | 22.61   | 8.69 | 17.52 |
| August   | 100.61   | 129.68   | 116.25 | 7.18    | 37.06 | 22.71   | 8.72 | 17.58 |
| September  | 100.83   | 131.65   | 117.66 | 6.81    | 37.70 | 22.67   | 8.72 | 17.60 |
| October  | 101.08   | 131.60   | 116.20 | 7.00    | 37.40 | 22.66   | 8.74 | 17.60 |
| November   | 102.36   | 132.08   | 116.35 | 7.24    | 36.54 | 22.46   | 8.68 | 17.41 |
| December   | 102.29   | 129.74   | 116.45 | 7.22    | 36.32 | 22.49   | 8.72 | 17.48 |
| <b>2019</b>  |          |          |        |         |       |   |      |       |
| January  | 101.58   | 130.76   | 115.95 | 7.29    | 36.45 | 22.72   | 8.80 | 17.68 |
| USD - United States Dollar   |          |          |        |         |       |   |      |       |
| SA RAND - South African Rand   |          |          |        |         |       |   |      |       |
| USHS - Uganda Shilling   |          |          |        |         |       |   |      |       |
| TSHS - Tanzania Shilling   |          |          |        |         |       |   |      |       |
| RWF - Rwanda Franc   |          |          |        |         |       |   |      |       |
| BIF - Burundi Franc  |          |          |        |         |       |   |      |       |
| <sup>1</sup> Kenya Shillings per unit of currency e.g 91.36 KShs=1 USD   |          |          |        |         |       |   |      |       |
| <sup>2</sup> Units of currency per Kenya Shilling e.g 31.29 USHS= 1 KShs |          |          |        |         |       |   |      |       |
| <i>Source: Central Bank of Kenya</i>                                     |          |          |        |         |       |   |      |       |

## BALANCE OF PAYMENTS AND EXTERNAL SECTOR INDICATORS

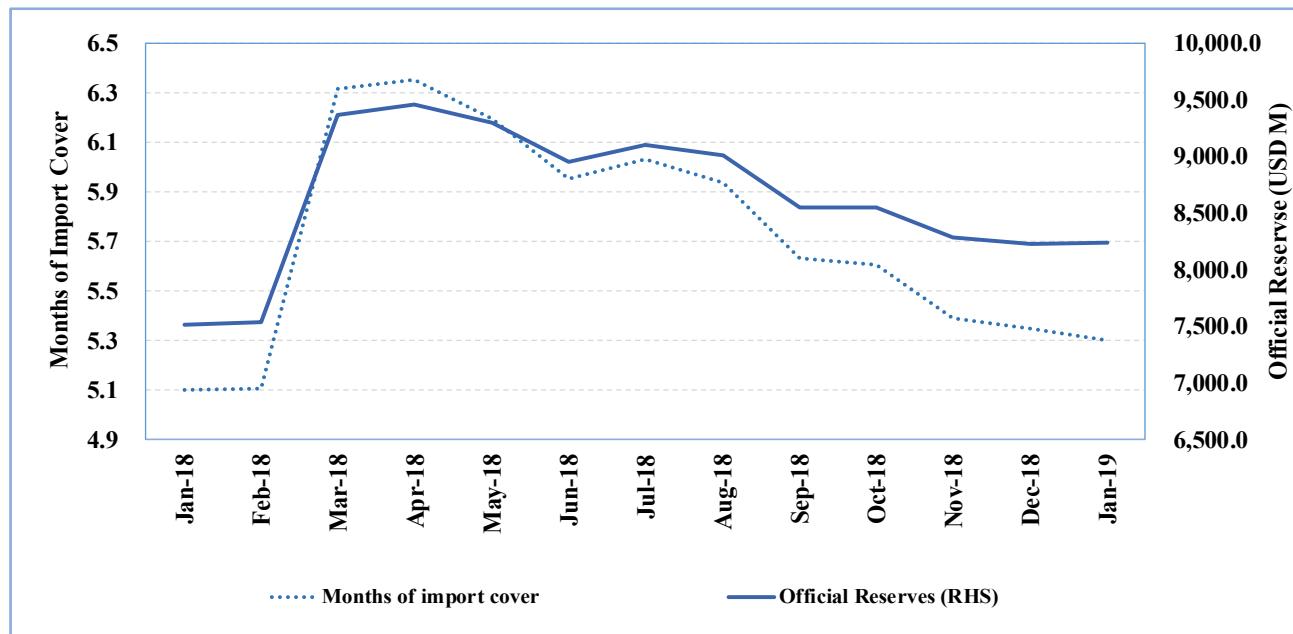
**Table 4.3 Foreign Exchange Reserves  
(End of Period USD Million)**

|                                     | Jan-18** | Feb-18** | Mar-18** | Apr-18** | May-18** | Jun-18** | Jul-18** | Aug-18** | Sept-18* | Oct-18*  | Nov-18*  | Dec-18*  | Jan-19   |
|-------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>Gross Reserves</b>               | 9,678.2  | 9,755.3  | 11,856.0 | 12,024.2 | 11,923.6 | 12,099.8 | 12,261.8 | 12,096.7 | 11,860.7 | 11,667.9 | 11,531.1 | 11,516.2 | 11,387.2 |
| <i>of which</i>                     |          |          |          |          |          |          |          |          |          |          |          |          |          |
| Official Reserves                   | 7,514.4  | 7,531.9  | 9,362.0  | 9,460.4  | 9,290.5  | 8,954.4  | 9,103.1  | 9,012.9  | 8,544.8  | 8,553.9  | 8,280.7  | 8,230.3  | 8,241.6  |
| Months of import cover <sup>1</sup> | 5.1      | 5.1      | 6.3      | 6.4      | 6.2      | 6.0      | 6.0      | 5.9      | 5.6      | 5.6      | 5.4      | 5.3      | 5.3      |
| Commercial Banks                    | 2,163.8  | 2,223.4  | 2,494.1  | 2,563.8  | 2,633.1  | 3,145.4  | 3,158.8  | 3,083.8  | 3,315.9  | 3,114.0  | 3,250.4  | 3,285.9  | 3,145.6  |

<sup>1</sup>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 Non-Performing Loans | Gross Deposits | Total Liquidity Ratio (%) (Average) | Profit Before Tax◊ |
|-------------|--------------|--------------------|-------------|----------------------------|----------------|-------------------------------------|--------------------|
| <b>2016</b> |              |                    |             |                            |                |                                     |                    |
| 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              |
| <b>2017</b> |              |                    |             |                            |                |                                     |                    |
| 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                                | 55.6               |
| 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              |
| <b>2018</b> |              |                    |             |                            |                |                                     |                    |
| January**   | 4,046.8      | 653.0              | 2,442.5     | 272.2                      | 2,949.8        | 44.4                                | 12.1               |
| February**  | 4,072.4      | 659.1              | 2,434.9     | 277.7                      | 2,954.8        | 44.6                                | 22.8               |
| March**     | 4,081.9      | 629.7              | 2,432.2     | 287.2                      | 2,979.5        | 45.0                                | 37.7               |
| April**     | 4,131.3      | 643.5              | 2,448.3     | 302.5                      | 3,036.9        | 47.2                                | 49.4               |
| May**       | 4,225.4      | 630.5              | 2,495.4     | 302.7                      | 3,106.6        | 47.6                                | 62.5               |
| June**      | 4,266.7      | 642.0              | 2,492.7     | 298.4                      | 3,161.5        | 48.0                                | 76.2               |
| July**      | 4,280.2      | 652.1              | 2,474.3     | 308.8                      | 3,169.3        | 48.3                                | 87.9               |
| August**    | 4,395.2      | 662.0              | 2,563.8     | 324.5                      | 3,240.4        | 48.4                                | 100.1              |
| September*  | 4,414.7      | 672.2              | 2,538.7     | 317.9                      | 3,241.2        | 49.3                                | 115.2              |
| October*    | 4,448.2      | 676.5              | 2,590.1     | 319.7                      | 3,268.0        | 48.9                                | 127.6              |
| November*   | 4,392.9      | 678.1              | 2,562.3     | 313.9                      | 3,258.9        | 48.7                                | 142.6              |
| December*   | 4,446.1      | 676.9              | 2,567.3     | 308.8                      | 3,332.4        | 48.6                                | 152.3              |
| <b>2019</b> |              |                    |             |                            |                |                                     |                    |
| January     | 4,462.6      | 688.7              | 2,553.7     | 319.1                      | 3,322.2        | 49.1                                | 13.4               |

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

◊Unaudited

Source: Central Bank of Kenya

## DEVELOPMENTS IN THE BANKING SECTOR

**Table 5.2: Trends in monthly flows through KEPSS**

|             | Total value moved per month<br>(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 |
| <b>2016</b> |  |   |                     |   |             |                 |                        |
| November    | 2,104                                    | 30  | 248,109             | 0.01                                    | 21          | 100             | 11,815                 |
| December    | 2,475                                    | 31  | 586,309             | 4.22                                    | 19          | 130             | 30,858                 |
| <b>2017</b> |  |   |                     |   |             |                 |                        |
| 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                 |
| <b>2018</b> |  |   |                     |   |             |                 |                        |
| January     | 2,404                                    | 29  | 350,594             | 6.86                                    | 22          | 109             | 15,936                 |
| February    | 2,153                                    | 30  | 326,576             | 6.60                                    | 20          | 108             | 16,329                 |
| March       | 2,244                                    | 32  | 380,042             | 5.91                                    | 21          | 107             | 18,097                 |
| April       | 2,429                                    | 31  | 373,718             | 6.50                                    | 20          | 121             | 18,686                 |
| May         | 2,466                                    | 30  | 419,021             | 5.89                                    | 22          | 112             | 19,046                 |
| June        | 2,432                                    | 32  | 365,446             | 6.66                                    | 19          | 128             | 19,234                 |
| July        | 2,581                                    | 31  | 406,344             | 6.35                                    | 22          | 117             | 18,470                 |
| August      | 2,427                                    | 31  | 401,761             | 6.04                                    | 20          | 121             | 20,088                 |
| September   | 2,371                                    | 30  | 359,755             | 6.59                                    | 20          | 119             | 17,988                 |
| October     | 2,623                                    | 29  | 410,098             | 6.40                                    | 22          | 119             | 18,641                 |
| November    | 3,069                                    | 30  | 391,172             | 7.85                                    | 22          | 140             | 17,781                 |
| December    | 2,364                                    | 35  | 404,728             | 5.84                                    | 18          | 131             | 22,485                 |
| <b>2019</b> |  |   |                     |   |             |                 |                        |
| January     | 2,573                                    | 28  | 369,560             | 6.96                                    | 22          | 117             | 16,798                 |

KEPSS - Kenya Electronic Payments and Settlement Systems

**Source:** Central Bank of Kenya

## 6. GOVERNMENT BUDGETARY OPERATIONS

**Table 6.1 Composition of Government Revenue (KSh Billion)**

| FISCAL YEAR <sup>1</sup> | REVENUE AND GRANTS |                   |                   |           |                        |                   |             |                        |               | ix<br><br>x=viii+ ix |                                  |
|--------------------------|--------------------|-------------------|-------------------|-----------|------------------------|-------------------|-------------|------------------------|---------------|----------------------|----------------------------------|
|                          | TAX REVENUE        |                   |                   |           |                        |                   |             |                        |               |                      |                                  |
|                          | i<br>Import Duty   | ii<br>Excise Duty | iii<br>Income Tax | iv<br>VAT | v<br>Other Tax Revenue | vi= i+ii+iii+iv+v | Tax Revenue | vii<br>Non-Tax Revenue | viii=vii+vii  |                      |                                  |
|                          | Import Duty        | Excise Duty       | Income Tax        | VAT       | Other Tax Revenue      | vi= i+ii+iii+iv+v | Tax Revenue | Non-Tax Revenue        | Total Revenue | Grants               | Total Revenue (Including Grants) |
| <b>FY 2016/2017</b>      |                    |                   |                   |           |                        |                   |             |                        |               |                      |                                  |
| November                 | 35.52              | 68.11             | 221.77            | 134.34    | 12.15                  | 471.89            | 61.20       | 533.09                 | 7.36          | 540.45               |                                  |
| December                 | 42.88              | 81.66             | 289.27            | 160.54    | 16.81                  | 591.17            | 61.29       | 652.46                 | 6.40          | 658.86               |                                  |
| January                  | 50.84              | 95.81             | 330.14            | 190.04    | 19.40                  | 686.24            | 67.05       | 753.29                 | 12.95         | 766.24               |                                  |
| February                 | 58.62              | 109.38            | 364.99            | 217.78    | 22.38                  | 773.15            | 74.19       | 847.34                 | 14.16         | 861.50               |                                  |
| March                    | 65.80              | 121.57            | 412.03            | 246.08    | 25.12                  | 870.61            | 82.37       | 952.98                 | 20.48         | 973.46               |                                  |
| April                    | 72.64              | 134.67            | 482.91            | 274.17    | 27.61                  | 992.00            | 114.13      | 1,106.13               | 22.33         | 1,128.46             |                                  |
| May                      | 81.32              | 149.10            | 547.51            | 305.99    | 30.55                  | 1,114.48          | 136.77      | 1,251.25               | 20.70         | 1,271.95             |                                  |
| June                     | 89.94              | 165.47            | 625.05            | 339.03    | 33.96                  | 1,253.46          | 143.64      | 1,397.10               | 26.66         | 1,423.76             |                                  |
| <b>FY 2017/2018</b>      |                    |                   |                   |           |                        |                   |             |                        |               |                      |                                  |
| July                     | 6.62               | 13.25             | 37.26             | 27.20     | 3.46                   | 87.78             | 7.63        | 95.41                  | 0.08          | 95.49                |                                  |
| August                   | 13.20              | 27.16             | 81.72             | 58.89     | 6.80                   | 187.77            | 16.26       | 204.03                 | 1.69          | 205.71               |                                  |
| September                | 20.97              | 40.33             | 157.25            | 86.38     | 12.49                  | 317.42            | 28.72       | 345.51                 | 1.69          | 347.20               |                                  |
| October                  | 27.60              | 47.82             | 202.71            | 111.99    | 15.09                  | 405.21            | 38.85       | 444.06                 | 4.67          | 448.73               |                                  |
| November                 | 40.87              | 62.64             | 245.49            | 141.63    | 18.07                  | 508.70            | 49.69       | 558.39                 | 9.92          | 568.32               |                                  |
| December                 | 47.53              | 75.18             | 319.67            | 167.30    | 20.68                  | 630.37            | 75.86       | 706.22                 | 14.79         | 721.02               |                                  |
| January                  | 58.18              | 92.48             | 377.22            | 203.21    | 24.12                  | 755.22            | 85.40       | 840.62                 | 16.31         | 856.92               |                                  |
| February                 | 64.93              | 104.71            | 409.15            | 230.55    | 26.69                  | 836.02            | 97.47       | 933.49                 | 19.12         | 952.61               |                                  |
| March                    | 72.87              | 117.48            | 460.77            | 258.55    | 29.68                  | 939.35            | 108.43      | 1,047.78               | 23.31         | 1,071.08             |                                  |
| April                    | 80.42              | 132.19            | 521.79            | 289.82    | 32.57                  | 1,056.80          | 118.36      | 1,175.16               | 23.70         | 1,198.86             |                                  |
| May                      | 89.17              | 146.33            | 576.43            | 322.62    | 35.72                  | 1,170.27          | 137.45      | 1,307.72               | 25.66         | 1,333.38             |                                  |
| June                     | 99.21              | 162.48            | 640.59            | 356.86    | 52.54                  | 1,311.69          | 175.53      | 1,487.23               | 27.60         | 1,514.83             |                                  |
| <b>FY 2018/2019</b>      |                    |                   |                   |           |                        |                   |             |                        |               |                      |                                  |
| July                     | 8.30               | 15.93             | 41.77             | 29.94     | 2.85                   | 98.78             | 11.37       | 110.16                 | -             | 110.16               |                                  |
| August                   | 18.18              | 29.28             | 89.56             | 61.80     | 6.31                   | 205.13            | 21.97       | 227.11                 | 1.50          | 228.60               |                                  |
| September                | 25.76              | 42.79             | 159.11            | 92.64     | 9.03                   | 329.34            | 36.66       | 365.99                 | 3.58          | 369.57               |                                  |
| October                  | 36.07              | 57.72             | 207.37            | 126.60    | 12.18                  | 439.94            | 49.87       | 489.80                 | 6.43          | 496.23               |                                  |
| November                 | 44.79              | 75.58             | 255.08            | 165.20    | 15.11                  | 555.77            | 63.24       | 619.01                 | 8.19          | 627.19               |                                  |
| December                 | 51.70              | 91.72             | 325.54            | 193.85    | 17.94                  | 680.76            | 91.33       | 772.08                 | 8.67          | 780.76               |                                  |
| January                  | 61.15              | 110.27            | 380.40            | 232.44    | 21.11                  | 805.37            | 100.28      | 905.65                 | 9.44          | 915.09               |                                  |

<sup>1</sup> 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 <sup>1</sup> | EXPENDITURE (COMMITMENT BASIS) |                  |                  |          |        |          |        |        |             |
|--------------------------|--------------------------------|------------------|------------------|----------|--------|----------|--------|--------|-------------|
|                          | RECURRENT EXPENDITURE          |                  |                  |          |        | i        | ii     | iii    | iv=i+ii+iii |
|                          | Domestic Interest              | Foreign Interest | Wages & Salaries | Pensions | Other  |          |        |        |             |
| <b>FY 2016/2017</b>      |                                |                  |                  |          |        |          |        |        |             |
| 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    |
| <b>FY 2017/2018</b>      |                                |                  |                  |          |        |          |        |        |             |
| 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      |
| January                  | 125.89                         | 50.34            | 228.23           | 31.74    | 320.97 | 757.17   | 209.85 | 107.52 | 1,074.54    |
| February                 | 140.77                         | 51.06            | 260.84           | 37.52    | 363.81 | 854.00   | 277.07 | 126.94 | 1,258.02    |
| March                    | 164.59                         | 55.59            | 293.44           | 47.04    | 408.40 | 973.06   | 341.08 | 174.52 | 1,488.66    |
| April                    | 189.92                         | 62.79            | 326.05           | 52.75    | 456.18 | 1,087.69 | 366.07 | 193.06 | 1,646.81    |
| May                      | 214.08                         | 66.46            | 358.65           | 54.67    | 509.23 | 1,203.08 | 392.98 | 239.79 | 1,835.85    |
| June                     | 239.47                         | 84.42            | 383.95           | 65.10    | 546.65 | 1,319.59 | 485.67 | 306.20 | 2,111.46    |
| <b>FY 2018/2019</b>      |                                |                  |                  |          |        |          |        |        |             |
| July                     | 17.31                          | 10.46            | 37.01            | 3.30     | 21.39  | 89.47    | 2.20   | -      | 91.68       |
| August                   | 34.00                          | 19.08            | 74.03            | 7.69     | 78.03  | 212.83   | 36.08  | 4.03   | 252.94      |
| September                | 61.12                          | 22.98            | 94.98            | 13.12    | 153.17 | 345.37   | 83.55  | 23.53  | 452.46      |
| October                  | 82.89                          | 32.38            | 148.05           | 18.28    | 163.26 | 444.87   | 130.30 | 44.70  | 619.87      |
| November                 | 105.51                         | 32.38            | 185.07           | 22.93    | 196.78 | 542.67   | 234.87 | 74.49  | 852.03      |
| December                 | 131.53                         | 46.10            | 212.04           | 31.99    | 241.51 | 663.17   | 290.17 | 115.14 | 1,068.47    |
| January                  | 146.77                         | 52.48            | 247.96           | 37.39    | 317.34 | 801.93   | 317.38 | 150.26 | 1,269.56    |

<sup>1</sup>Figures are cumulative from the beginning of the fiscal year in July.

<sup>2</sup>Includes Equalization fund

Source: The National Treasury

## GOVERNMENT BUDGETARY OPERATIONS

**Table 6.3: Government Deficit Financing\ (KSh Billion)**

| FISCAL YEAR         | GOVERNMENT DEFICIT FINANCING |                 |                             |
|---------------------|------------------------------|-----------------|-----------------------------|
|                     | i<br>Domestic\^              | ii<br>Foreign\^ | iii=i+ii<br>Total Financing |
| <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                      |
| 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                      |
| <b>FY 2017/2018</b> |                              |                 |                             |
| July                | 57.10                        | -3.87           | 53.23                       |
| August              | 40.35                        | 0.66            | 41.54                       |
| September           | 49.18                        | 2.48            | 57.2                        |
| October             | 76.77                        | 44.95           | 122.26                      |
| November            | 113.87                       | 49.63           | 164.0                       |
| December            | 107.11                       | 91.65           | 200.33                      |
| January             | 134.29                       | 65.55           | 201.42                      |
| February            | 218.02                       | 92.71           | 312.53                      |
| March               | 252.31                       | 175.55          | 427.86                      |
| April               | 294.79                       | 172.95          | 467.74                      |
| May                 | 205.79                       | 309.59          | 515.38                      |
| June                | 273.71                       | 331.64          | 605.35                      |
| <b>FY 2018/2019</b> |                              |                 |                             |
| July                | 28.27                        | -1.48           | 26.78                       |
| August              | 61.85                        | 17.64           | 79.48                       |
| September           | 69.21                        | 16.83           | 86.04                       |
| October             | 133.37                       | 32.97           | 166.34                      |
| November            | 139.44                       | 101.97          | 241.41                      |
| December            | 155.73                       | 143.70          | 299.43                      |
| January             | 204.57                       | 154.81          | 359.38                      |

\<sup>1</sup>Figures are cumulative from the beginning of the fiscal year in July.

\<sup>2</sup>Domestic debt is reported on gross basis.

\<sup>3</sup>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)**

|                        | Apr-18          | May-18          | Jun-18          | July-18         | Aug-18          | Sept-18         | Oct-18          | Nov-18          | Dec-18          | Jan-19          |
|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| <b>EXTERNAL DEBT</b>   |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Bilateral              | 824.9           | 827.5           | 821.0           | 811.6           | 813.3           | 812.5           | 837.2           | 850.3           | 894.0           | 939.9           |
| Multilateral           | 827.39          | 824.92          | 816.12          | 857.10          | 860.11          | 877.73          | 894.87          | 902.68          | 874.68          | 853.78          |
| Commercial Banks       | 893.32          | 903.85          | 906.39          | 915.75          | 921.33          | 898.35          | 905.78          | 939.04          | 938.15          | 919.10          |
| Export Credit          | 16.61           | 16.81           | 16.73           | 16.62           | 16.66           | 16.71           | 16.86           | 16.97           | 16.86           | 16.70           |
| <b>Sub-Total</b>       | <b>2,562.18</b> | <b>2,573.13</b> | <b>2,560.20</b> | <b>2,601.07</b> | <b>2,611.40</b> | <b>2,605.33</b> | <b>2,654.69</b> | <b>2,709.01</b> | <b>2,723.73</b> | <b>2,729.48</b> |
| (As a % of total debt) | 51.48           | 51.25           | 50.81           | 50.85           | 51.15           | 50.63           | 51.15           | 51.38           | 51.66           | 51.17           |
| <b>DOMESTIC DEBT</b>   |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| <b>Banks</b>           | <b>1,337.43</b> | <b>1,363.60</b> | <b>1,377.24</b> | <b>1,406.18</b> | <b>1,384.24</b> | <b>1,405.54</b> | <b>1,400.76</b> | <b>1,414.68</b> | <b>1,407.75</b> | <b>1,424.52</b> |
| Central Bank           | 97.97           | 98.28           | 110.78          | 80.27           | 68.99           | 90.21           | 78.53           | 98.26           | 118.20          | 90.26           |
| Commercial Banks       | 1,239.47        | 1,265.32        | 1,266.46        | 1,325.91        | 1,315.25        | 1,315.33        | 1,322.23        | 1,316.42        | 1,289.56        | 1,334.26        |
| <b>Non-banks</b>       | <b>1,051.95</b> | <b>1,058.28</b> | <b>1,076.29</b> | <b>1,081.50</b> | <b>1,083.48</b> | <b>1,109.75</b> | <b>1,108.87</b> | <b>1,122.49</b> | <b>1,114.82</b> | <b>1,154.82</b> |
| Pension Funds          | 658.52          | 659.56          | 671.55          | 671.41          | 675.34          | 689.15          | 686.55          | 696.10          | 694.27          | 723.70          |
| Insurance Companies    | 153.27          | 156.09          | 154.51          | 154.54          | 154.09          | 154.14          | 154.43          | 152.49          | 154.26          | 156.41          |
| Other Non-bank Sources | 240.16          | 242.63          | 250.23          | 255.55          | 254.06          | 266.46          | 267.89          | 273.91          | 266.29          | 274.71          |
| <b>Non-residents</b>   | <b>25.87</b>    | <b>25.69</b>    | <b>25.31</b>    | <b>25.95</b>    | <b>25.98</b>    | <b>25.41</b>    | <b>26.12</b>    | <b>26.25</b>    | <b>26.20</b>    | <b>24.85</b>    |
| <b>Sub-Total</b>       | <b>2,415.25</b> | <b>2,447.58</b> | <b>2,478.84</b> | <b>2,513.63</b> | <b>2,493.71</b> | <b>2,540.70</b> | <b>2,535.75</b> | <b>2,563.42</b> | <b>2,548.77</b> | <b>2,604.19</b> |
| (As a % of total debt) | 48.52           | 48.75           | 49.19           | 49.15           | 48.85           | 49.37           | 48.85           | 48.62           | 48.34           | 48.83           |
| <b>GRAND TOTAL</b>     | <b>4,977.43</b> | <b>5,020.70</b> | <b>5,039.03</b> | <b>5,114.70</b> | <b>5,105.11</b> | <b>5,146.04</b> | <b>5,190.44</b> | <b>5,272.43</b> | <b>5,272.50</b> | <b>5,333.67</b> |

*Source: The National Treasury and Central Bank of Kenya*

## PUBLIC DEBT

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

|  | Jan-18          | Feb-18          | Mar-18          | Apr-18          | May-18          | Jun-18          | July-18         | Aug-18          | Sept-18         | Oct-18          | Nov-18          | Dec-18          | Jan-19          |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Treasury Bills <sup>1</sup>                                    | 755.3           | 791.6           | 796.0           | 813.0           | 862.0           | 901.9           | 969.5           | 945.8           | 967.4           | 974.7           | 972.9           | 922.2           | 967.3           |
| Treasury Bonds   | 1,453.9         | 1,492.2         | 1,527.8         | 1,550.1         | 1,533.1         | 1,511.9         | 1,509.0         | 1,524.5         | 1,528.8         | 1,527.6         | 1,536.8         | 1,552.9         | 1,591.3         |
| Overdraft at Central Bank                                      | 29.9            | 46.2            | 39.7            | 44.0            | 44.4            | 56.8            | 26.3            | 15.1            | 36.3            | 25.2            | 44.9            | 64.8            | 36.9            |
| Advances from Commercial Banks                                 | 7.5             | 7.5             | 7.5             | 7.5             | 7.5             | 7.5             | 8.1             | 7.7             | 7.6             | 7.6             | 8.2             | 8.2             | 8.0             |
| Other Domestic Debt <sup>2</sup> ( 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             |
| <b>Total Domestic Debt<sup>3</sup></b>                         | <b>2,247.30</b> | <b>2,338.21</b> | <b>2,371.65</b> | <b>2,415.25</b> | <b>2,447.58</b> | <b>2,478.84</b> | <b>2,513.63</b> | <b>2,493.71</b> | <b>2,540.70</b> | <b>2,535.75</b> | <b>2,563.42</b> | <b>2,548.77</b> | <b>2,604.19</b> |

<sup>1</sup>The stock of Treasury bills includes Repo Treasury bills.

<sup>2</sup> Other domestic debt includes Items in transit, securities re-discounted and Tax Reserve Certificates (TRCs).

<sup>3</sup> 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                            | Jan-18    | Feb-18    | Mar-18    | Apr-18    | May-18    | June-18   | Jul-18   | Aug-18    | Sept-18   | Oct-18    | Nov-18    | Dec-18   | Jan-19    |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|----------|-----------|-----------|-----------|-----------|----------|-----------|
| NASI (2008=100) Points               | 180.60    | 181.77    | 191.23    | 179.79    | 173.00    | 174.36    | 172.47   | 167.59    | 149.67    | 145.89    | 146.08    | 142.0    | 154.52    |
| NSE 25 Share Index                   | 4512.95   | 4,563.42  | 4965.76   | 4703.30   | 4470.07   | 4456.78   | 4428.65  | 4249.65   | 3819.15   | 3680.99   | 3,713.16  | 3,551.59 | 3,873.09  |
| NSE 20 Share Index (1966=100) Points | 3737.27   | 3,750.75  | 3854.34   | 3735.00   | 3333.00   | 3286.00   | 3320.44  | 3203.4    | 2875.51   | 2820      | 2,797     | 2800.95  | 2982.73   |
| Number of Shares Traded (Million)    | 862.47    | 572.37    | 704.11    | 449.00    | 677.00    | 453.00    | 323.00   | 329.00    | 392.00    | 843.48    | 407.05    | 320.00   | 557.00    |
| Equities Turnover (KSh Million)      | 20,340.19 | 17,919.89 | 22,890.17 | 15,076.00 | 18,377.32 | 13,688.00 | 9,736.00 | 10,243.00 | 11,950.00 | 16,890.22 | 10,713.62 | 7,830.68 | 16,200.00 |
| Market Capitalization (KSh Billion)  | 2,660.47  | 2,677.81  | 2,817.36  | 2,644.69  | 2,549.00  | 2,576.00  | 2,519.00 | 2,476.00  | 2,211.00  | 2,132.00  | 2,183.00  | 2,102.00 | 2,248.00  |

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**

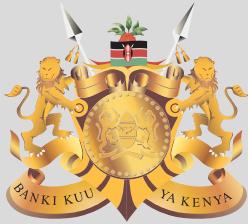
| Period<br>(Month)   | Secondary Market                      |                              |                    |                                 |                                  |   |                                       |               |      | End Month<br>Govt<br>Bonds<br>Turnover<br>Ratio<br>(Percent)   | Primary Market                    |        |  |
|---|---------------------------------------|------------------------------|--------------------|---------------------------------|----------------------------------|---|---------------------------------------|---------------|------|--|-----------------------------------|--------|--|
|   | FTSE NSE<br>Kenya Govt.<br>Bond Index | Bond Volume<br>(KSh Million) | Number<br>of Deals | 5-Year<br>Eurobond<br>Yield (%) | 10-Year<br>Eurobond<br>Yield (%) | 10-Year<br>Euro-<br>bond<br>(2028)<br>Yield (%) | 30-Year<br>Euro-<br>bond<br>Yield (%) | Most Traded   | Bond | Offer (KSh<br>Million)   | Subscription<br>Rate<br>(Percent) |        |  |
| <b>2017</b>   |                                       |                              |                    |                                 |                                  |   |                                       |               |      |  |                                   |        |  |
| 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<br>1/2017/10 (Reopen)                       | 30,000.00                         | 88.89  |  |
| September   | 91.67                                 | 38,142.27                    | 564                | 4.28                            | 6.46                             | ...   | ...                                   | FXD1/2009/015 | 2.76 | FXD 1/2017/5 (Tap) FXD<br>1/2017/2 & FXD 1/2017/10<br>(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 &<br>FXD2/2017/5 (Tap)                            | 46,500.00                         | 66.92  |  |
| November  | 91.41                                 | 31,045.74                    | 424                | 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<br>1/2017/10 (Reopen)                      | 30,000.00                         | 72.97  |  |
| <b>2018</b>   |                                       |                              |                    |                                 |                                  |   |                                       |               |      |  |                                   |        |  |
| January   | 93.24                                 | 38,755.56                    | 568                | 3.83                            | 5.83                             | ...   | ...                                   | IFB1/2017/007 | 2.68 | IFB1/2018/15   | 40,000.00                         | 139.39 |  |
| February  | 93.37                                 | 64814.57                     | 1276               | 3.82                            | 6.27                             | 7.05  | 8.02                                  | IFB1/2018/15  | 4.36 | FXD1/2010/15 &<br>FXD2/2013/15 (Reopen)                        | 40,000.00                         | 60.35  |  |
| March   | 93.58                                 | 48768.22                     | 762                | 3.67                            | 5.99                             | 6.55  | 7.61                                  | IFB1/2018/015 | 3.20 | FXD1/2018/5 &<br>FXD1/2018/20                                  | 40,000.00                         | 128.46 |  |
| April   | 93.85                                 | 42464.81                     | 646                | 4.46                            | 6.13                             | 6.85  | 7.99                                  | IFB1/2018/015 | 2.74 | FXD 1/2008/15 & FXD<br>1/2018/20                               | 40,000.00                         | 81.92  |  |
| May   | 94.23                                 | 57312.58                     | 877                | 5.14                            | 6.62                             | 7.19  | 8.31                                  | IFB1/2017/007 | 1.20 | FXD1/2018/15   | 40,000.00                         | 50.54  |  |
| June  | 95.00                                 | 58746.02                     | 881                | 5.74                            | 7.18                             | 7.89  | 8.90                                  | IFB1/2017/007 | 3.90 | FXD1/2018/25   | 40,000.00                         | 25.33  |  |
| July  | 94.58                                 | 48550.46                     | 653                | 4.29                            | 6.50                             | 7.12  | 8.16                                  | IFB1/2017/007 | 3.37 | FXD2/2018/20   | 40,000.00                         | 34.65  |  |
| August  | 94.48                                 | 44797.66                     | 691                | 5.22                            | 7.27                             | 7.93  | 8.90                                  | FXD2/2018/020 | 3.07 | FXD1/2018/010  | 40,000.00                         | 74.56  |  |
| September   | 94.85                                 | 40228.50                     | 536                | 4.63                            | 6.86                             | 7.65  | 8.59                                  | FXD2/2018/020 | 1.71 | FXD1/2018/010  | 40,000.00                         | 81.17  |  |
| October   | 95.42                                 | 53748.47                     | 817                | 5.07                            | 7.48                             | 8.13  | 9.12                                  | FXD1/2018/010 | 2.27 | FXD2/2018/15   | 40,000.00                         | 67.61  |  |
| November  | 95.38                                 | 42,001.63                    | 987                | 6.10                            | 8.29                             | 9.01  | 9.70                                  | FXD1/2018/010 | 2.73 | IFB1/2018/20   | 50,000.00                         | 80.79  |  |
| December  | 95.40                                 | 22,421.23                    | 422                | 5.87                            | 8.35                             | 9.00  | 9.75                                  | IFB1/2018/020 | 1.45 | IFB1/2018/20 (Tap Sale)  | 22,410.00                         |        |  |
|   |                                       |                              |                    |                                 |                                  |   |                                       |               |      | FXD2/2018/10   | 40,000.00                         | 72.15  |  |
|   |                                       |                              |                    |                                 |                                  |   |                                       |               |      | FXD2/2018/10 (Tap sale)  | 13,840.00                         |        |  |
| <b>2019</b>   |                                       |                              |                    |                                 |                                  |   |                                       |               |      |  |                                   |        |  |
| January   | 95.58                                 | 50,984.96                    | 699                | 4.90                            | 6.99                             | 7.66  | 8.70                                  | IFB1/2018/020 | 3.21 | FXD 1/2019/2 & FXD<br>1/2019/15                                | 40,000.00                         | 254.93 |  |
| IFB - Infrastructure Bond issued to finance specific government infrastructure projects   |                                       |                              |                    |                                 |                                  |   |                                       |               |      |  |                                   |        |  |
| FXD - Fixed Rate/Coupon Treasury Bond   |                                       |                              |                    |                                 |                                  |   |                                       |               |      |  |                                   |        |  |
| Reopened Bond - 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 tradeable 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<br>(Month) | A<br>Foreign Purchases<br>(FP) | B<br>Foreign Sales (FS) | C<br>Equity Market<br>Turnover (ET) | D=A/C<br>FP to ET in<br>Percent | E=B/C<br>FS to ET in<br>Percent | F=(D+E)/2<br>Average Foreign<br>Participation to<br>Equity Turnover in<br>Percent |
|-------------------|--------------------------------|-------------------------|-------------------------------------|---------------------------------|---------------------------------|---|
| <b>2016</b>       |                                |                         |                                     |                                 |                                 |   |
| 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   |
| <b>2017</b>       |                                |                         |                                     |                                 |                                 |   |
| 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   |
| <b>2018</b>       |                                |                         |                                     |                                 |                                 |   |
| January           | 13,813                         | 15,277                  | 20,340                              | 67.91                           | 75.11                           | 71.51   |
| February          | 6,324                          | 11,462                  | 17,920                              | 35.29                           | 63.96                           | 49.63   |
| March             | 10,927                         | 12,410                  | 22,890                              | 47.74                           | 54.22                           | 50.98   |
| April             | 8,673                          | 10,488                  | 15,076                              | 57.53                           | 69.57                           | 63.55   |
| May               | 7,700                          | 11,722                  | 18,377                              | 41.90                           | 63.79                           | 52.84   |
| June              | 8,244                          | 10,583                  | 13,688                              | 60.23                           | 77.32                           | 68.77   |
| July              | 5,535                          | 7,646                   | 9,736                               | 56.85                           | 78.53                           | 67.69   |
| August            | 5,571                          | 7,136                   | 10,243                              | 54.39                           | 69.67                           | 62.03   |
| September         | 6,229                          | 9,258                   | 11,950                              | 52.13                           | 77.47                           | 64.80   |
| October           | 10,547                         | 14,834                  | 16,890                              | 62.45                           | 87.83                           | 75.14   |
| November          | 7,900                          | 8,499                   | 10,713                              | 73.74                           | 79.33                           | 76.54   |
| December          | 4,876                          | 6,661                   | 7,830                               | 62.27                           | 85.07                           | 73.67   |
| <b>2019</b>       |                                |                         |                                     |                                 |                                 |   |
| January           | 12,532                         | 13,889                  | 16,200                              | 77.36                           | 85.73                           | 81.55   |

**Source: Nairobi Securities Exchange**



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