



Central Bank of Kenya

MONETARY POLICY COMMITTEE MEETING BACKGROUND INFORMATION

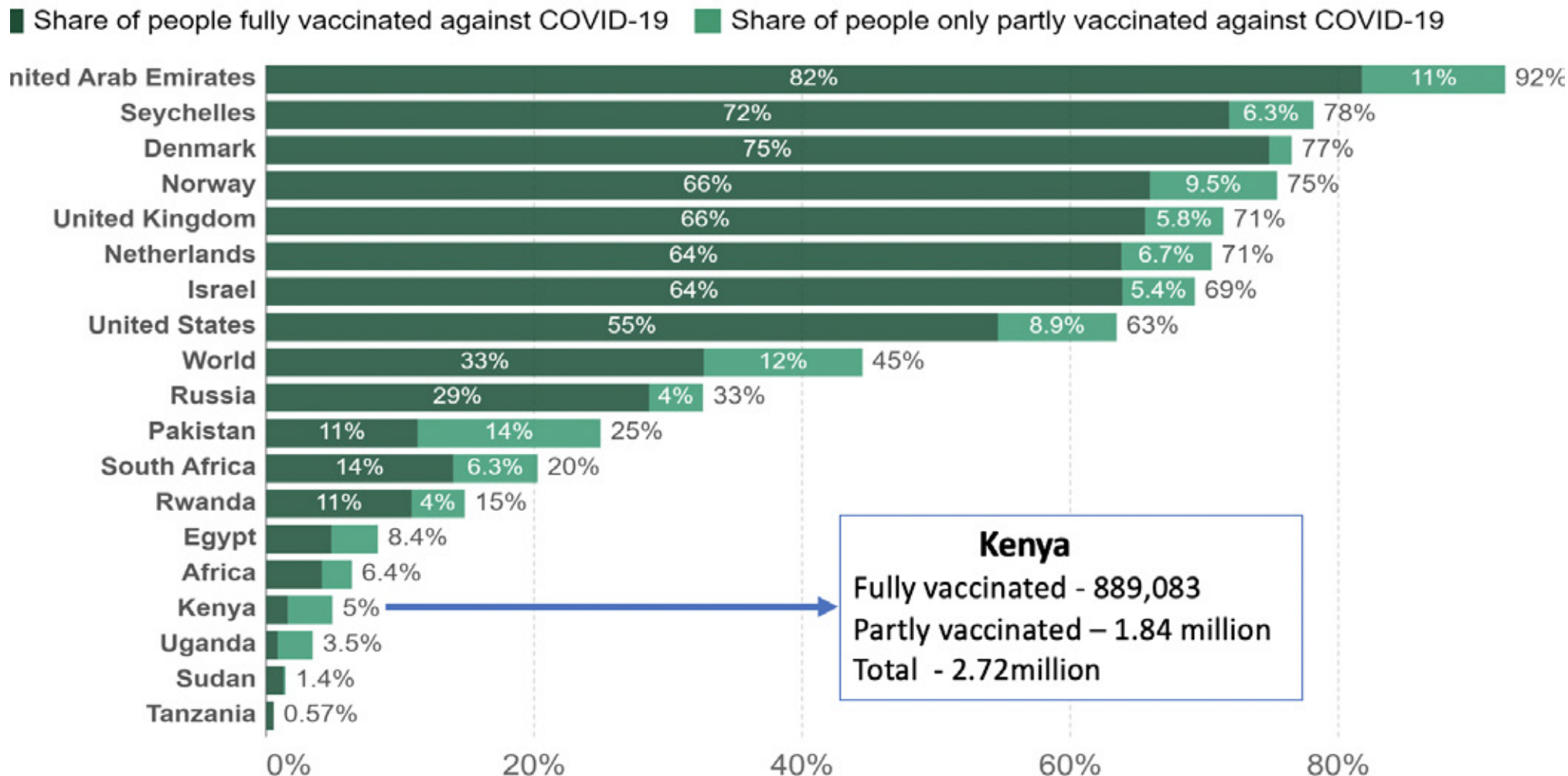
Wednesday, September 29, 2021

Dr. Patrick Njoroge

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1.

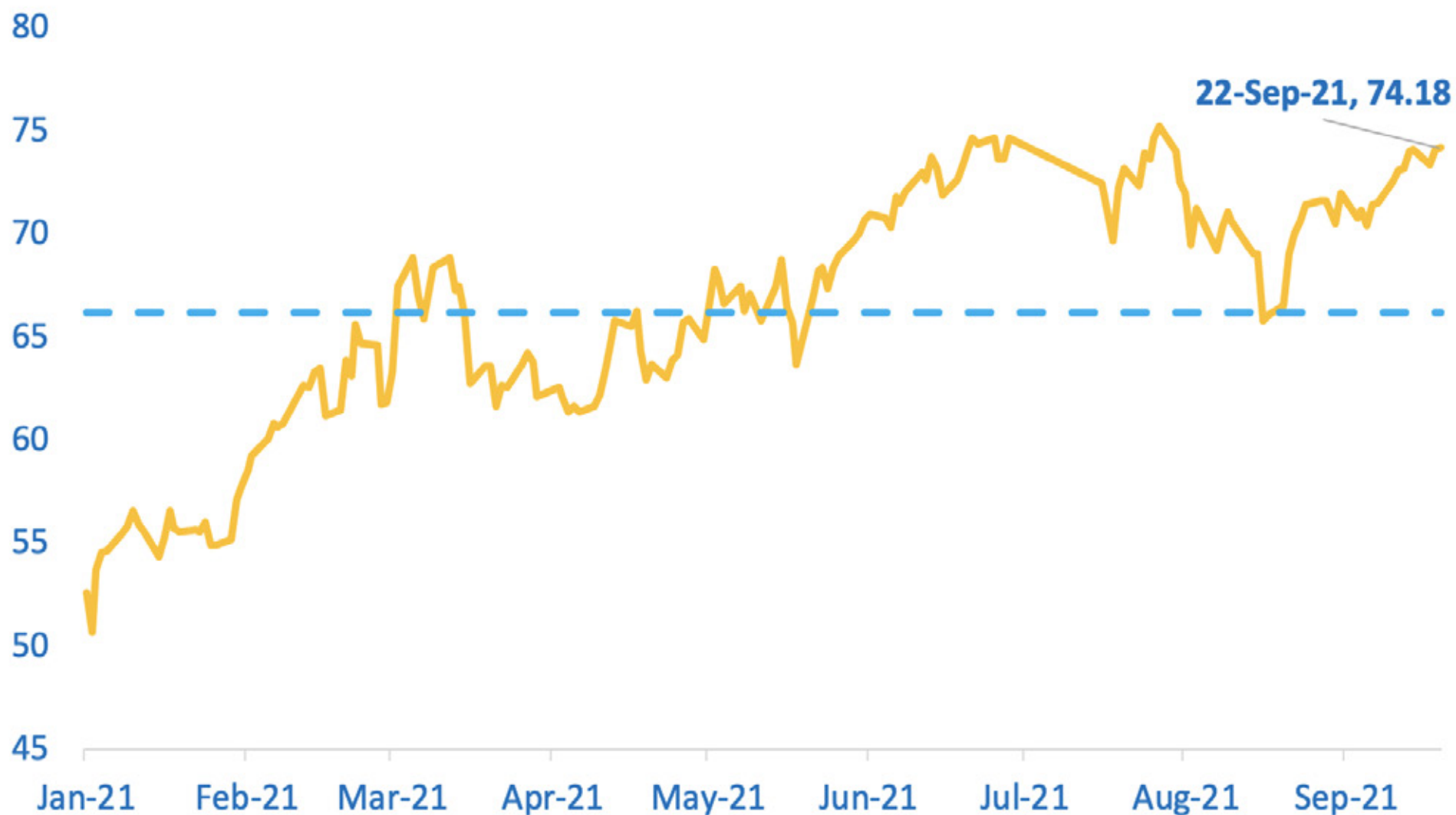
Progress in COVID-19 vaccinations across selected countries (As at September 27, 2021)



Source: Oxford Martin School-Our World in Data 2021

2.

Murban crude oil prices (USD per barrel)

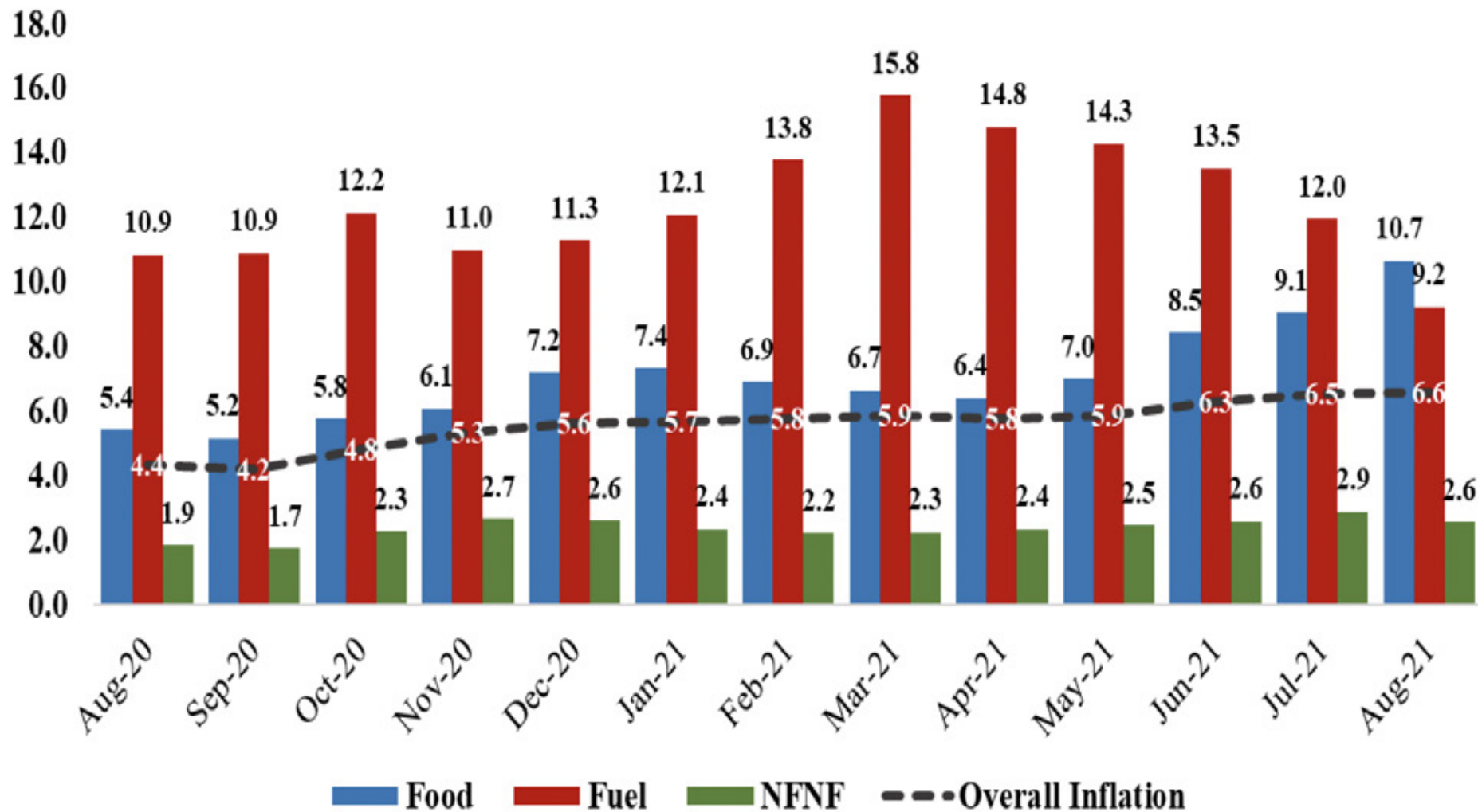


Source: Oilprice.com

3.

Inflationary pressures have increased due to fuel and food prices

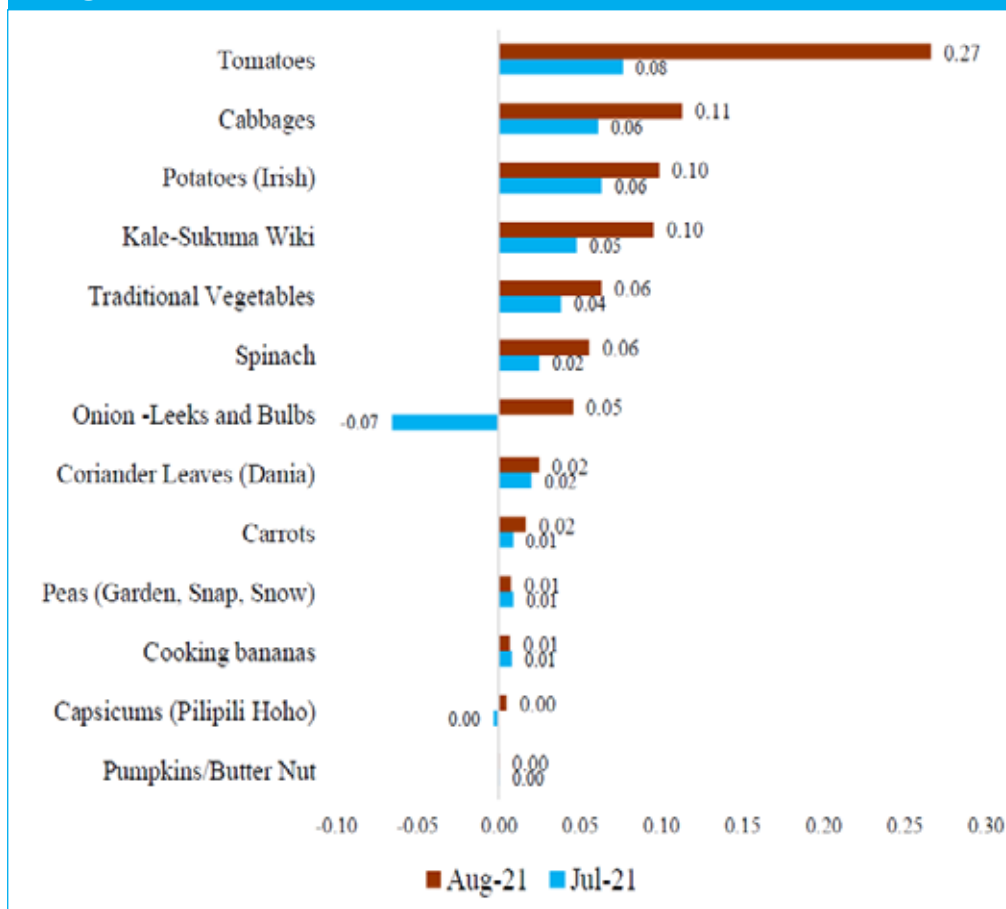
Inflation by broad category (percent)



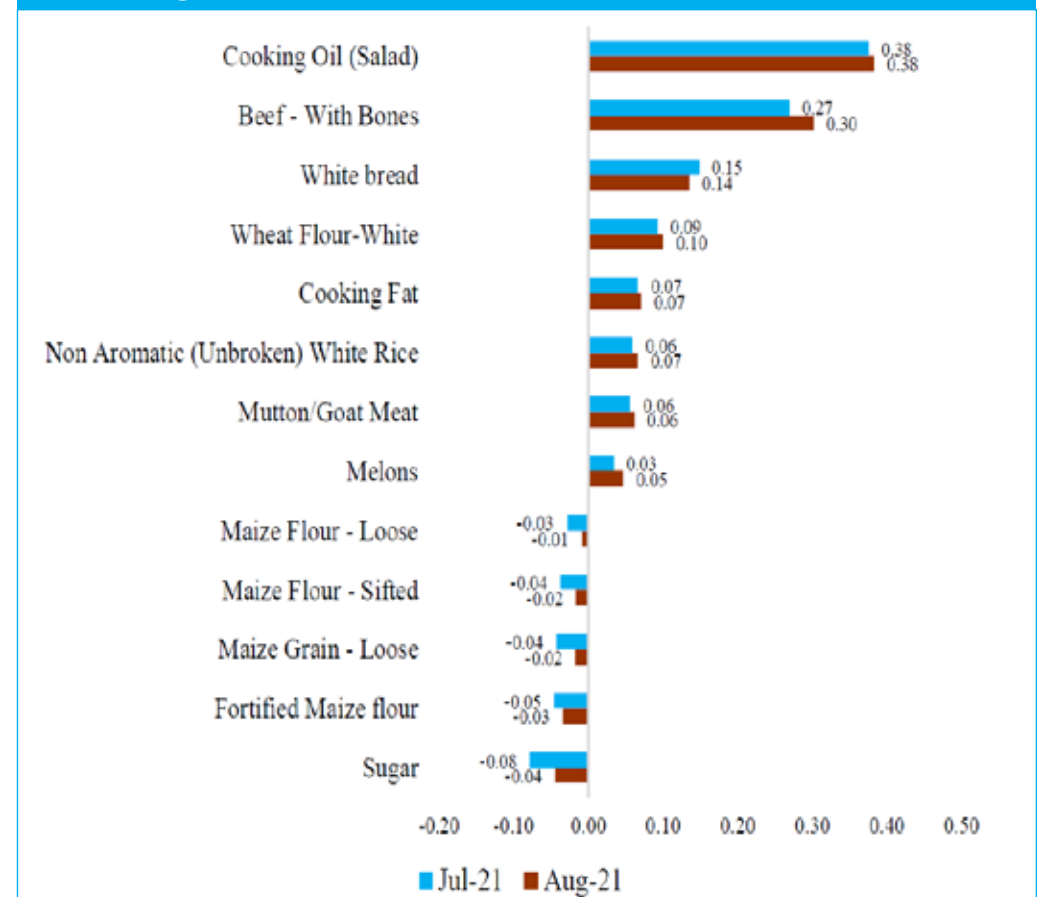
4.

Contributions to overall inflation by key food items (percentage points)

Vegetables



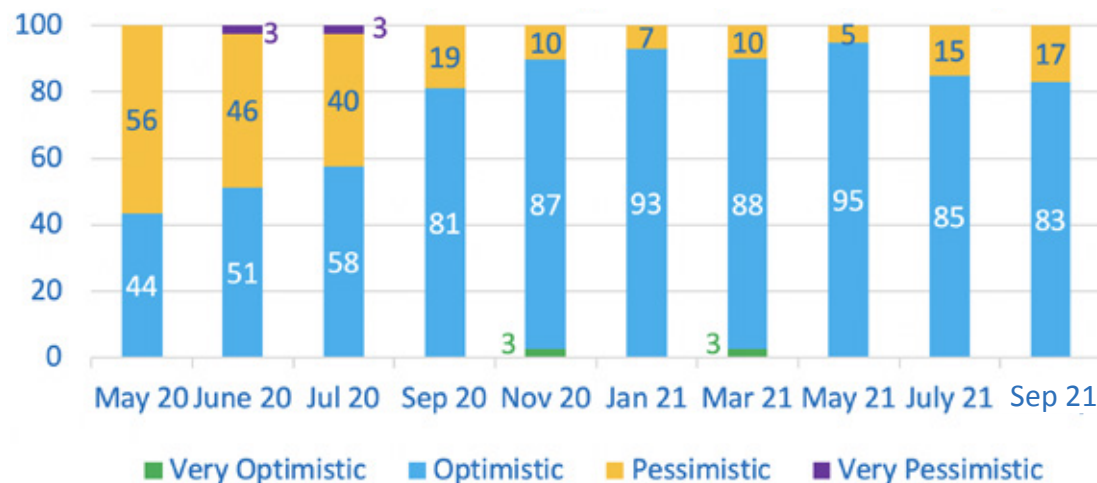
Non-vegetables



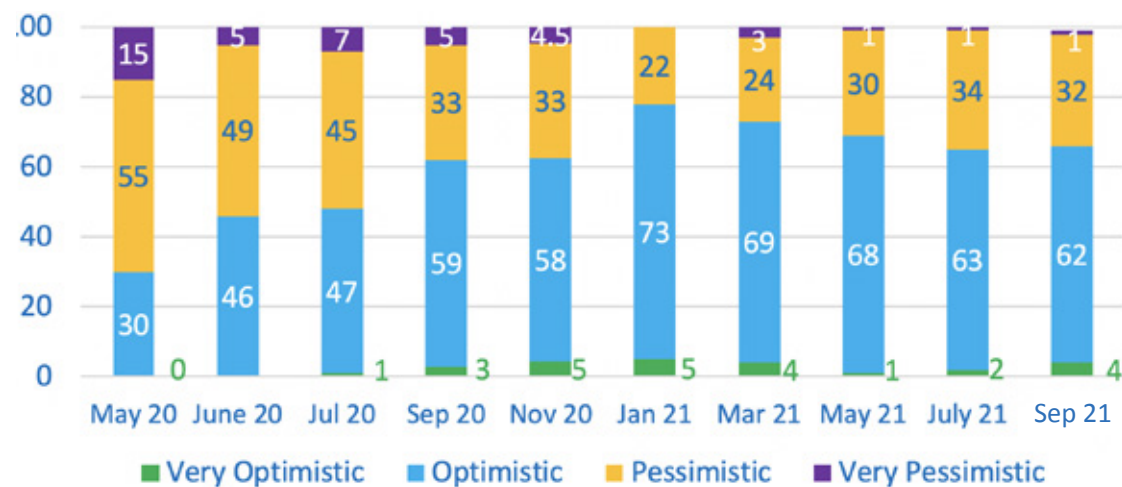
5.

MPC Market Perceptions Survey September 2021

Optimism by
Banks (% of
respondents)



Optimism by
non-Banks Private
Firms (% of
respondents)

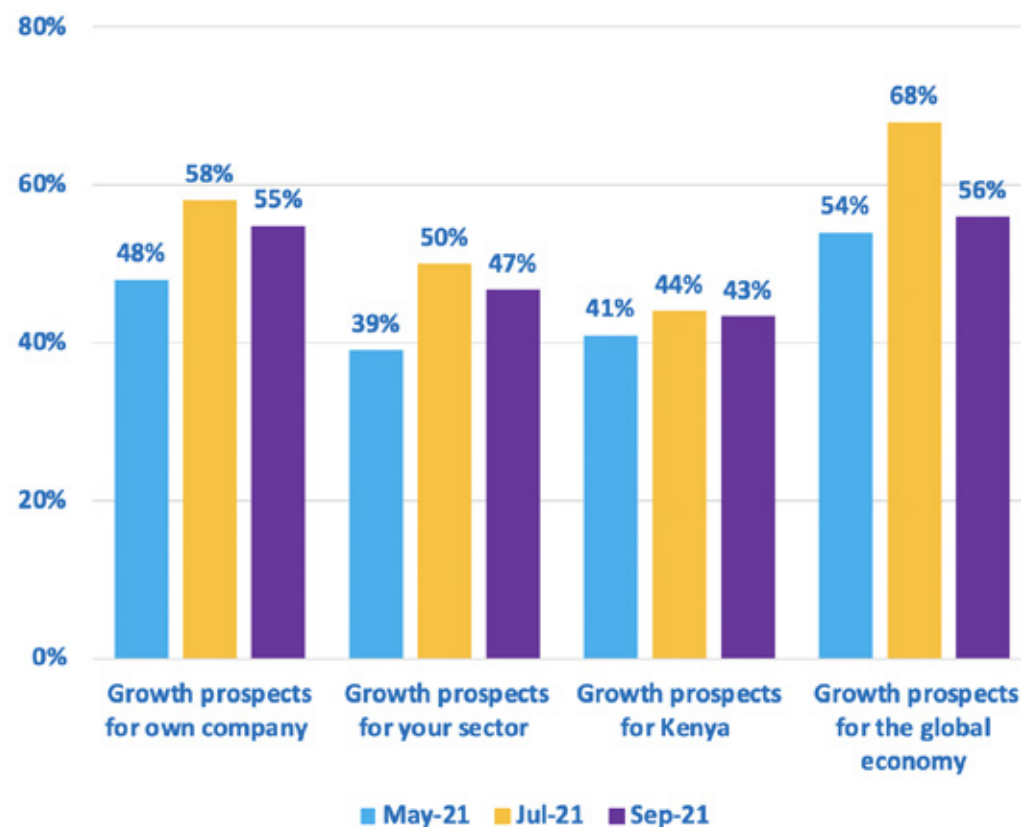


6.

Business Confidence/Optimism (next 12 months)

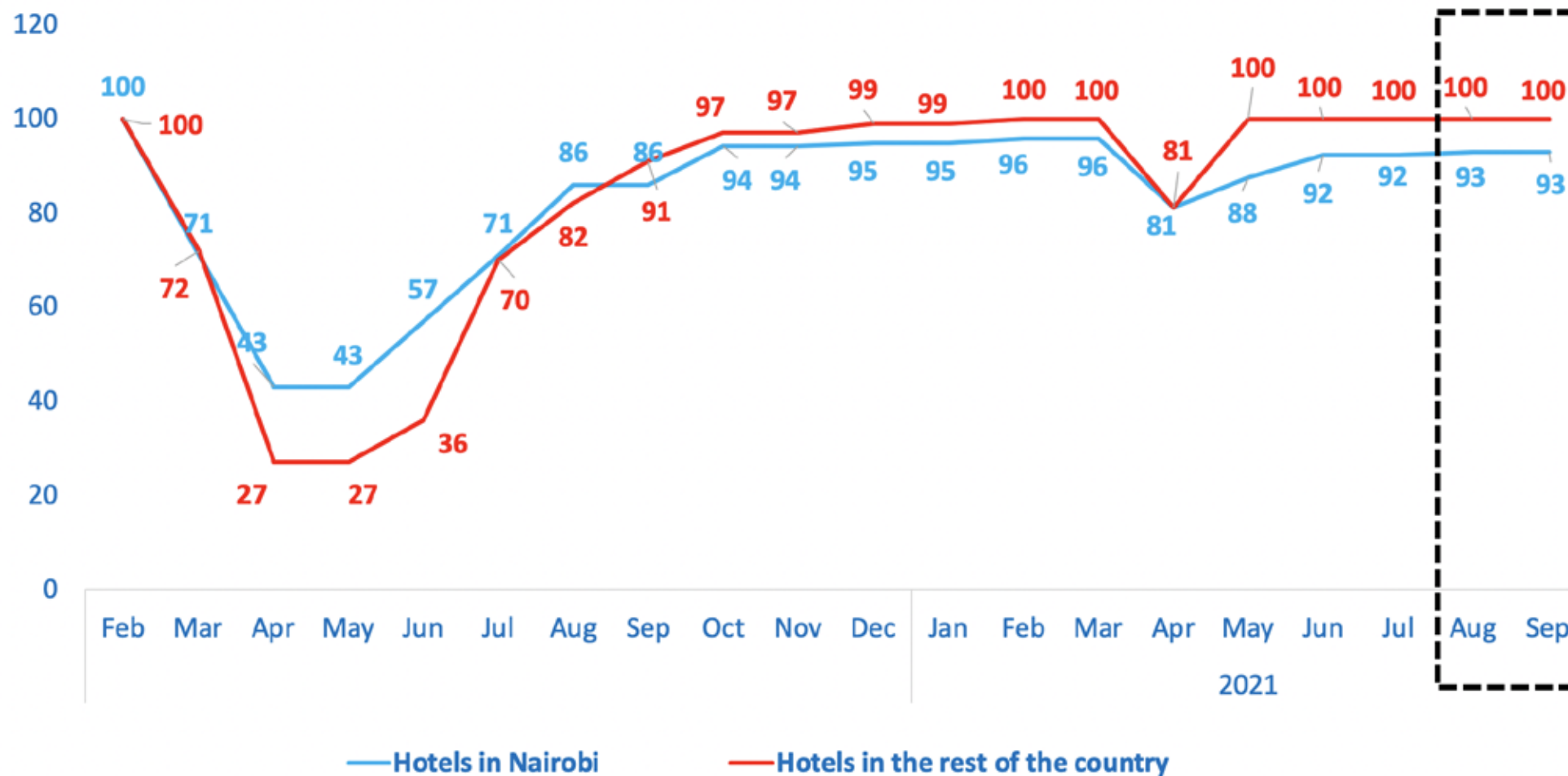
- The September 2021 CEOs Survey shows optimism about growth prospects.
- COVID-19 containment and strong global recovery were attributed to stronger confidence/optimism in the services sector.
- But respondents were concerned about heightened political activity, COVID-19 containment measures and weather conditions.
- Manufacturing sector respondents were concerned over declining profit margins amidst rising input prices.

Proportion of Private Sector Firms Expressing Higher Growth Prospects



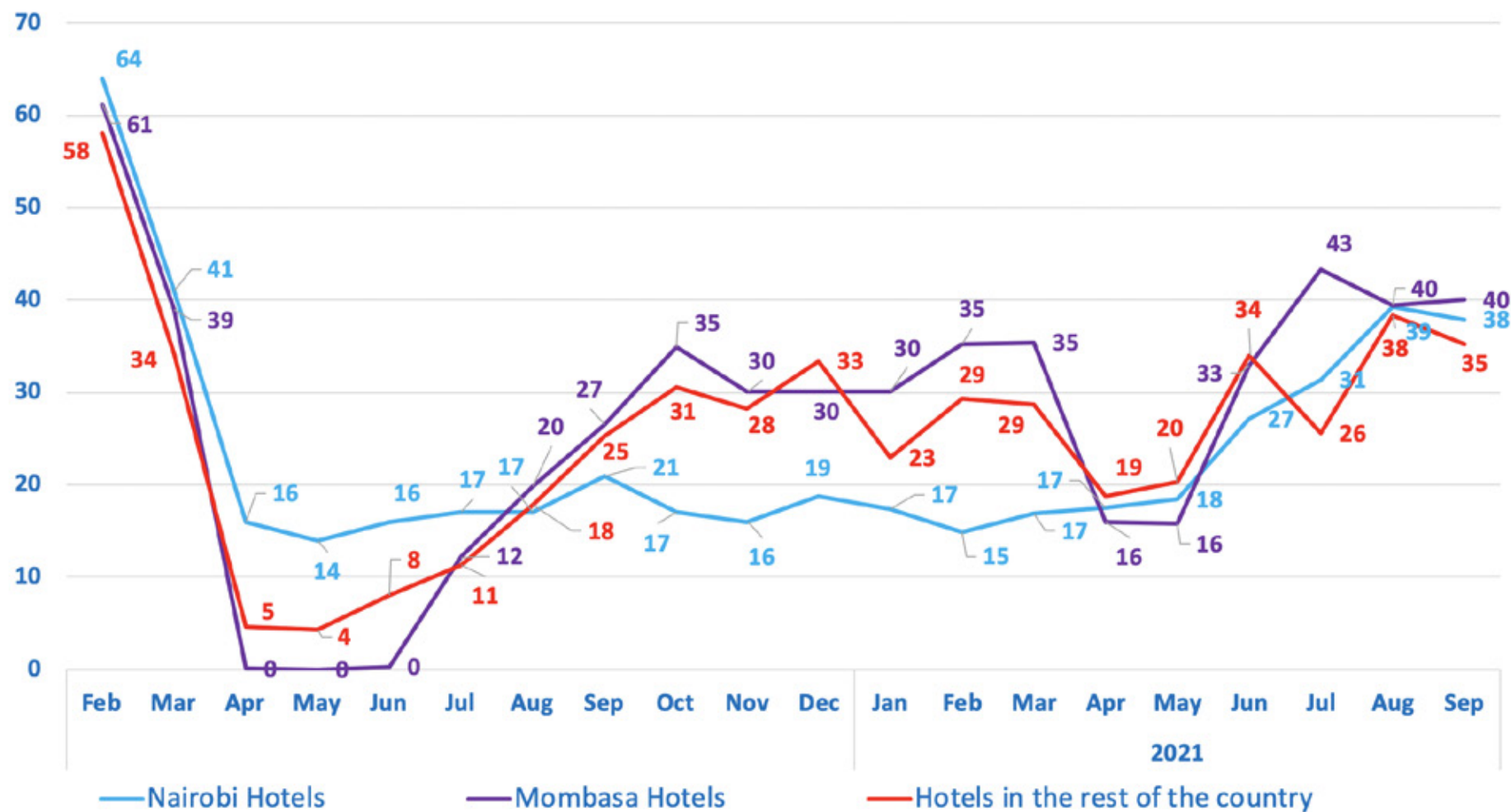
7.

Hotels in operation (percent of hotels that responded)



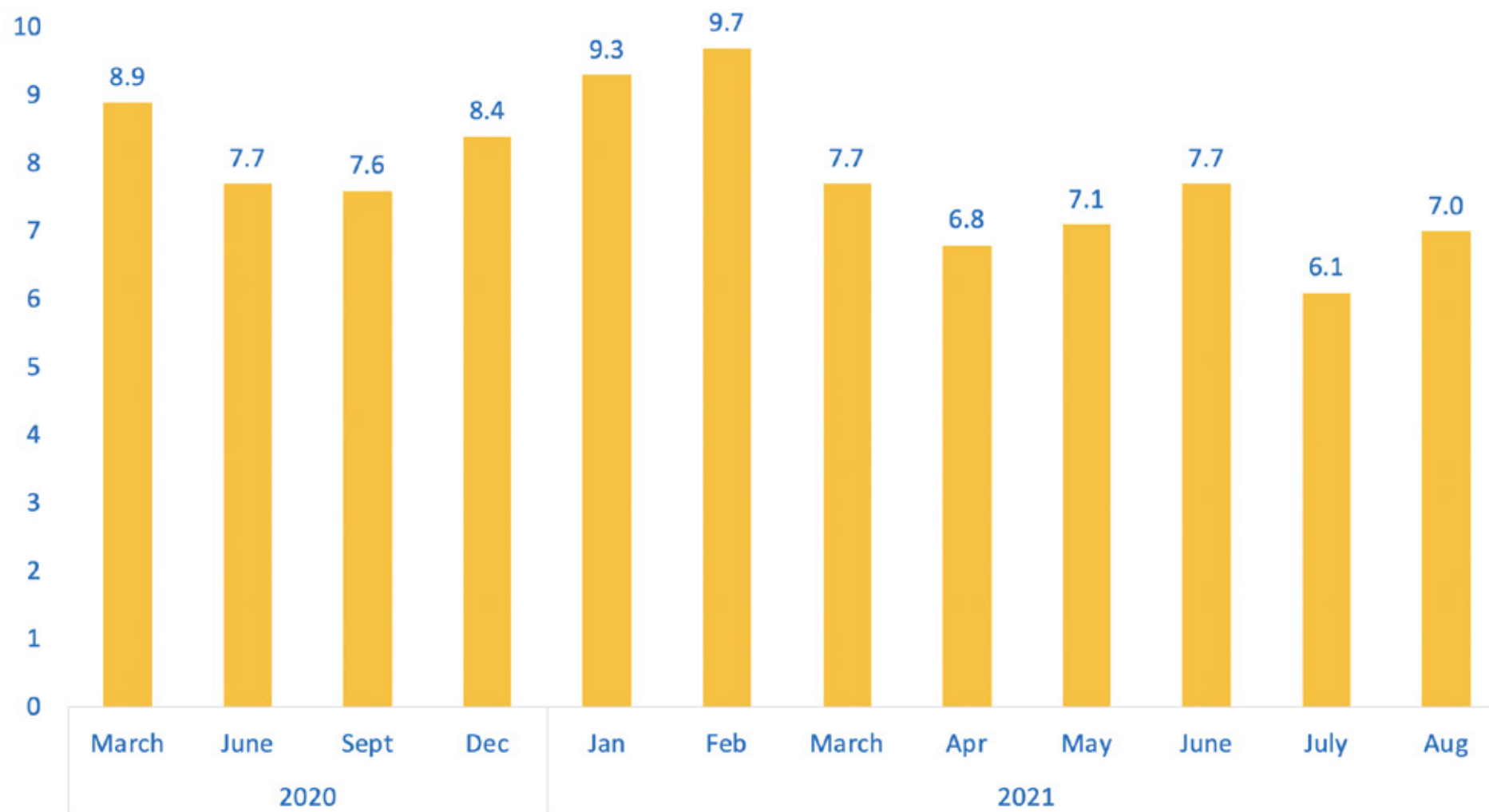
8.

Hotels average bed occupancy (percent of total bed capacity)



9.

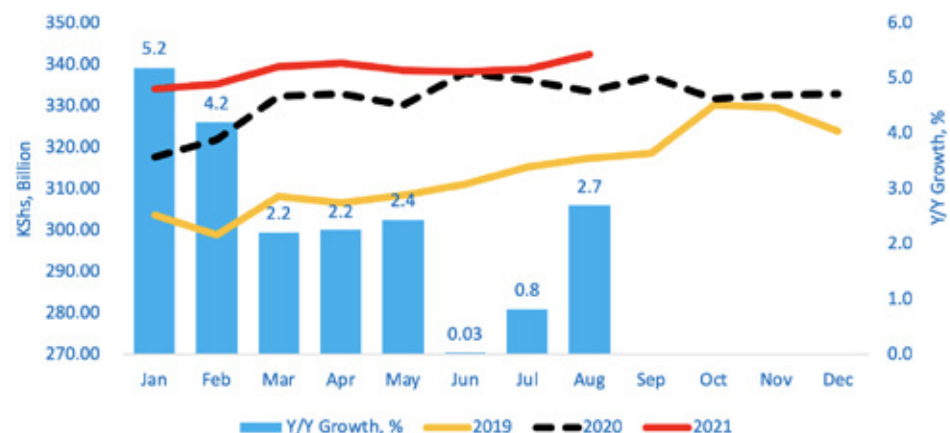
12 month growth in credit to the private sector (percent)



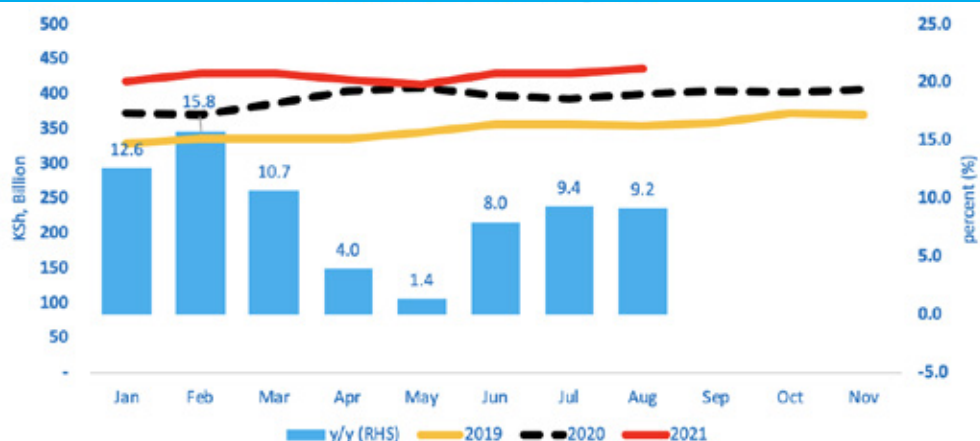
Credit to Transport and storage



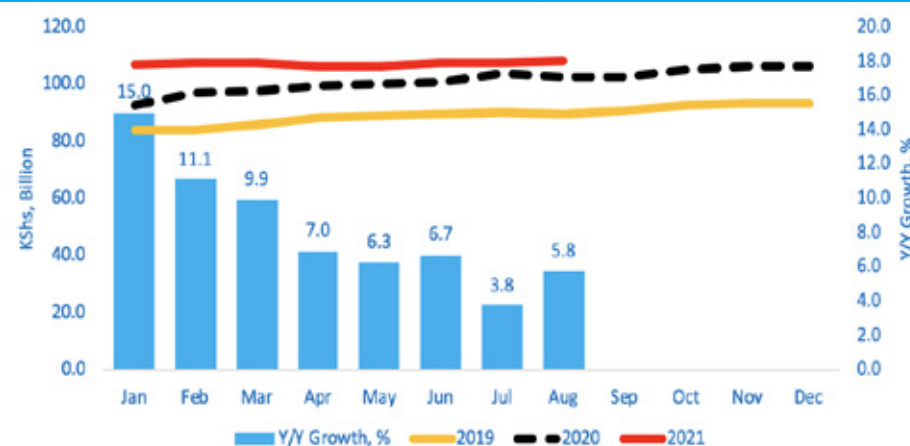
Credit to Wholesale & Retail Trade



Credit to the Manufacturing sector

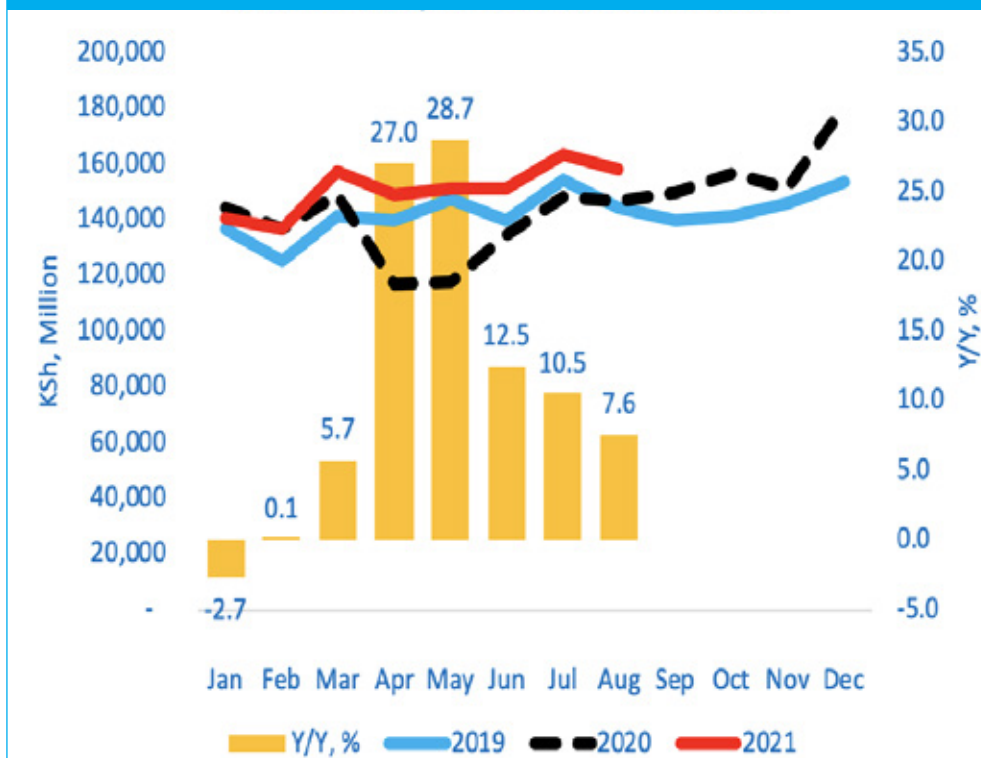


Credit to Restaurants and Hotels

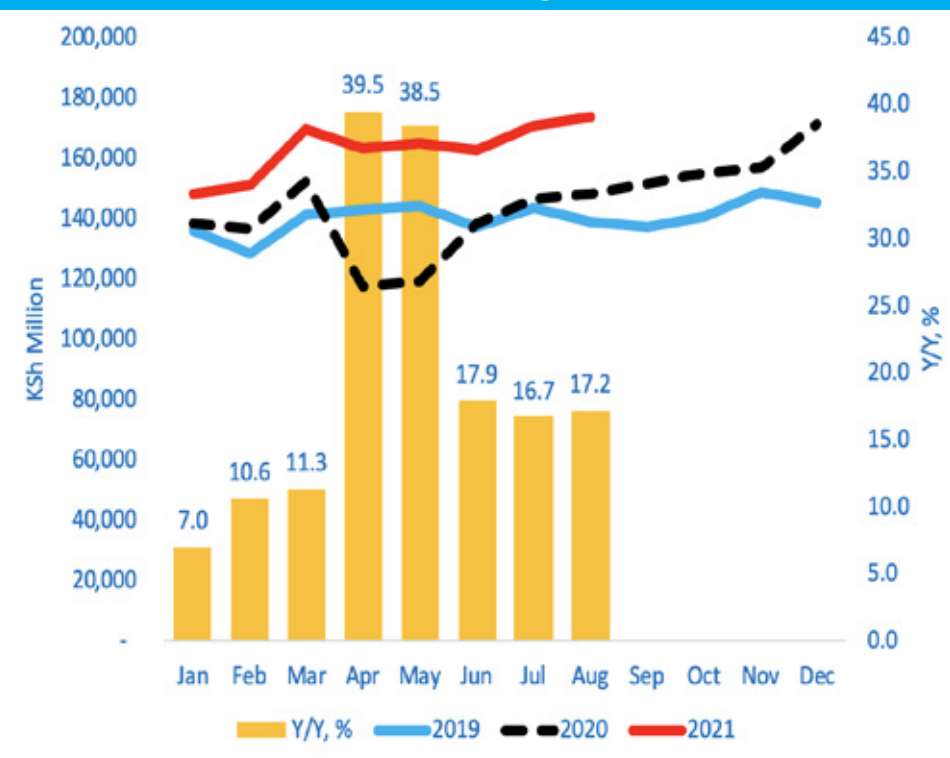


Sales turnover: Manufacturing, and Wholesale and retail trade sectors

Sales Turnover, Wholesale and retail trade

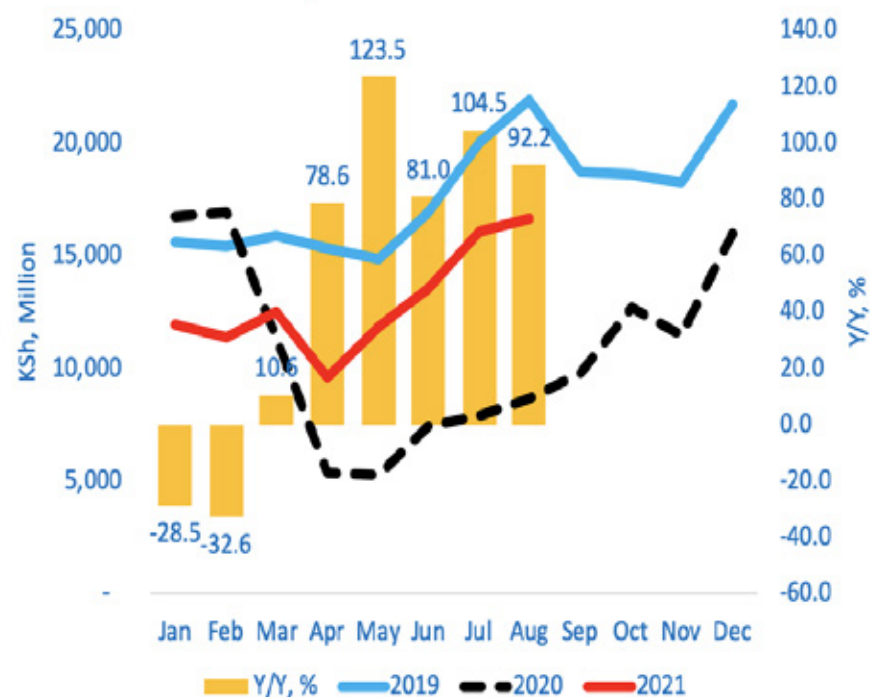


Sales Turnover, Manufacturing Sector

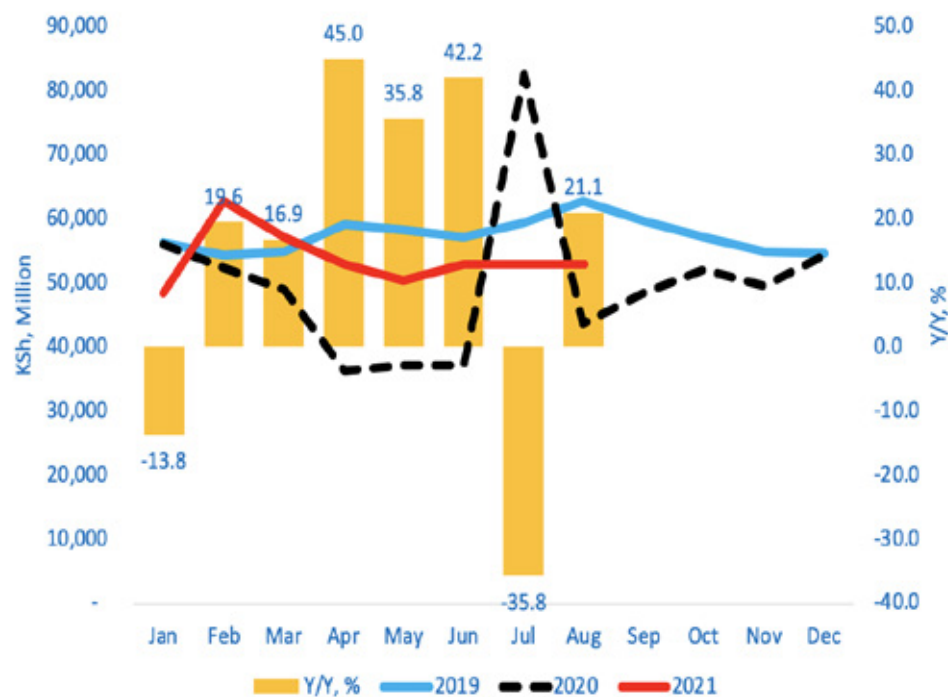


Sales turnover: Accommodation and food services, and Transport and storage sectors

Sales Turnover, Accommodation and food services

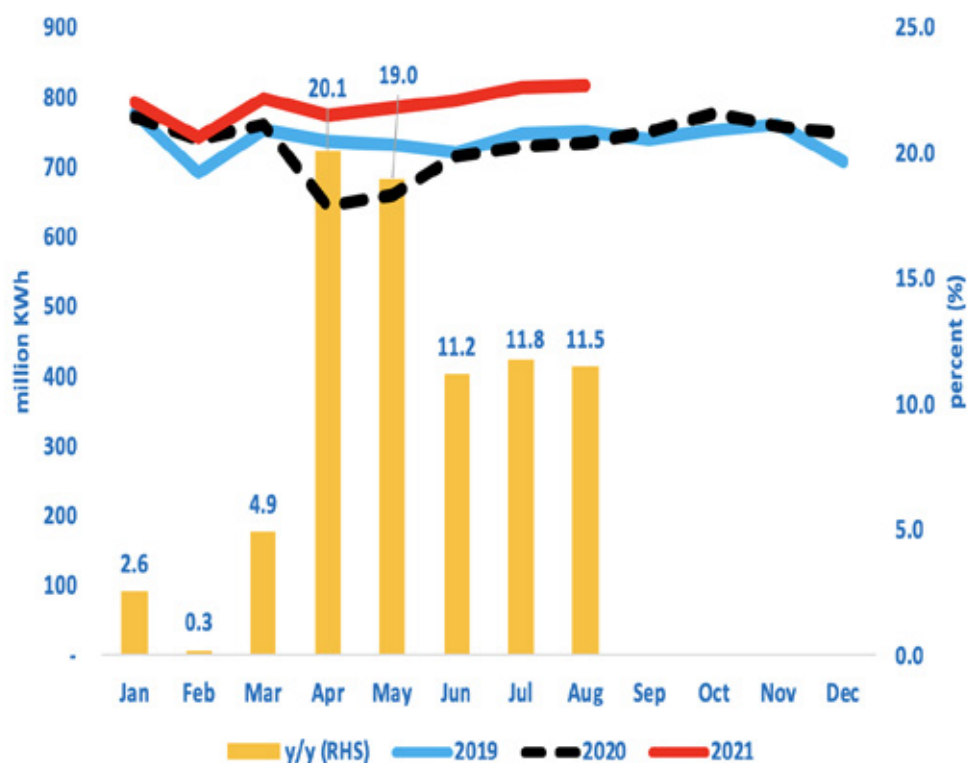


Sales Turnover, Transport and storage

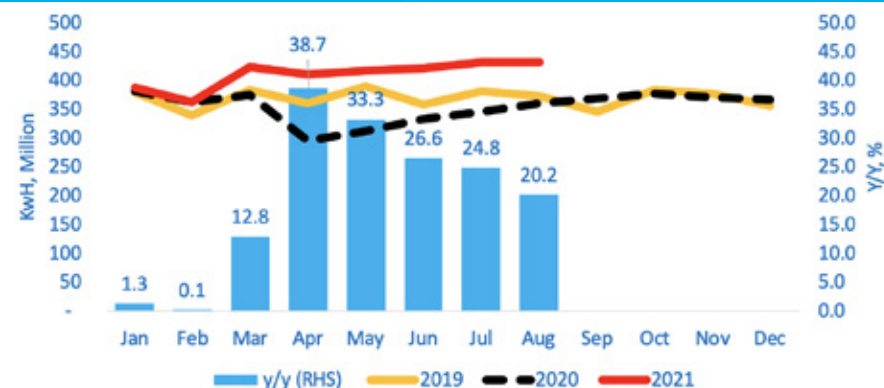


Electricity consumption: Large and small commercial consumers

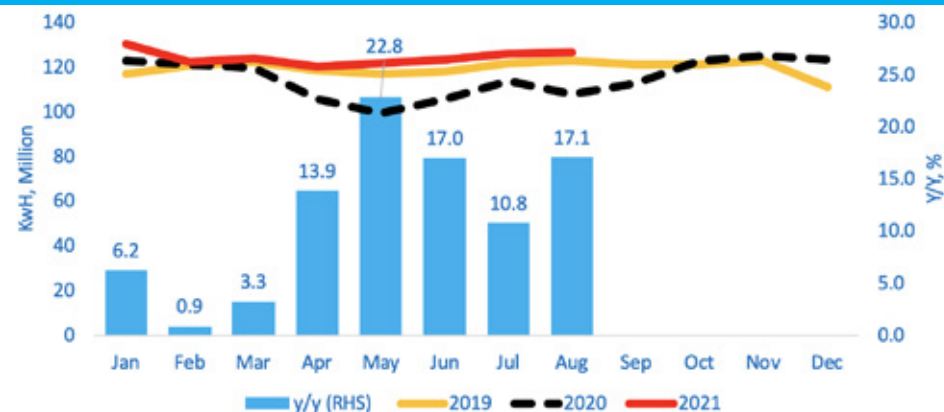
Total Electricity Consumption



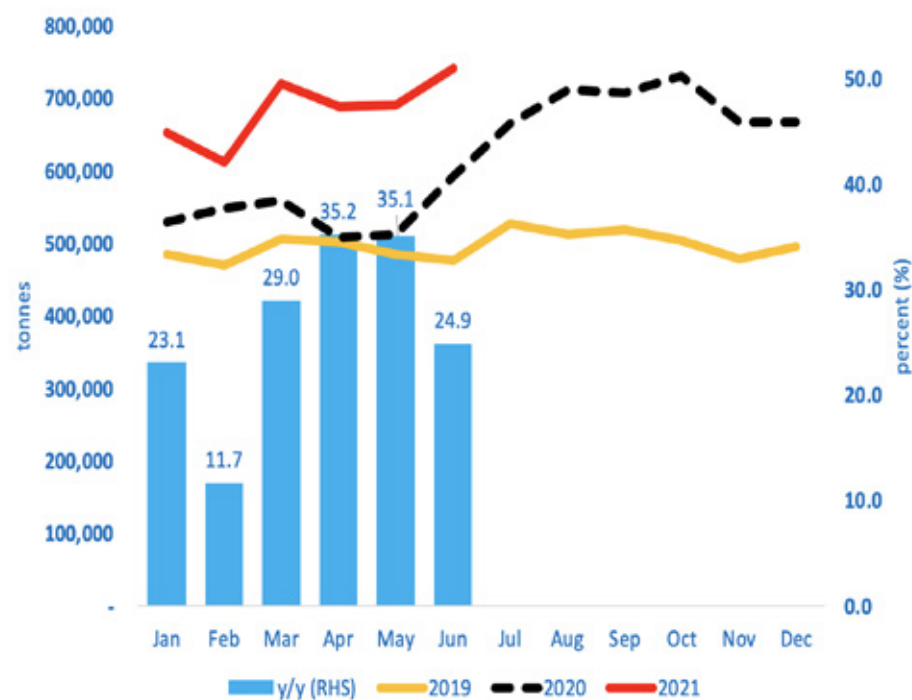
Trends of Large Power Consumers



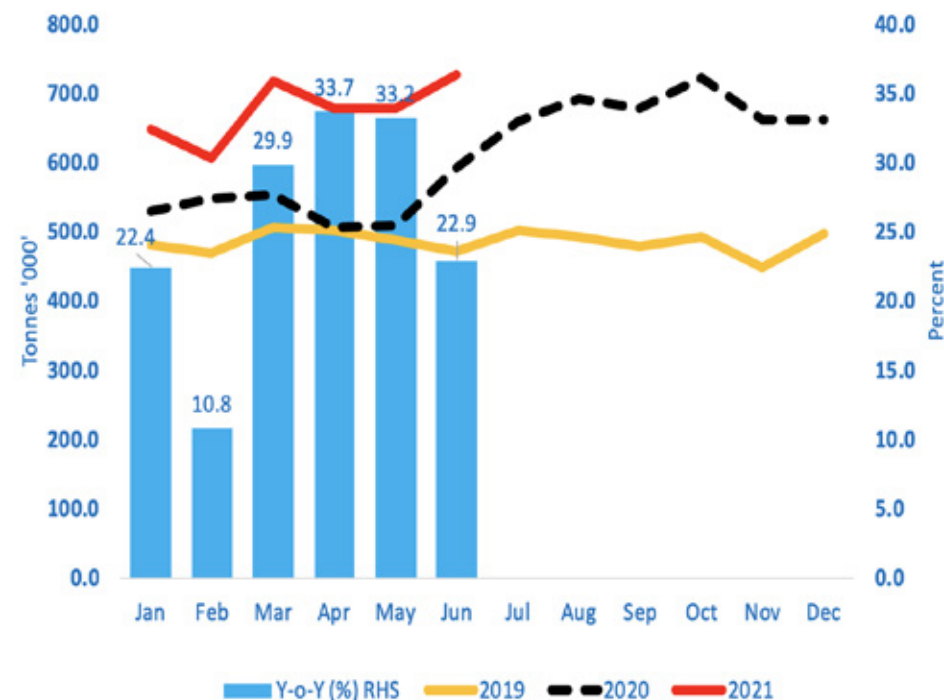
Trends in Small Commercial Consumers



Cement Production

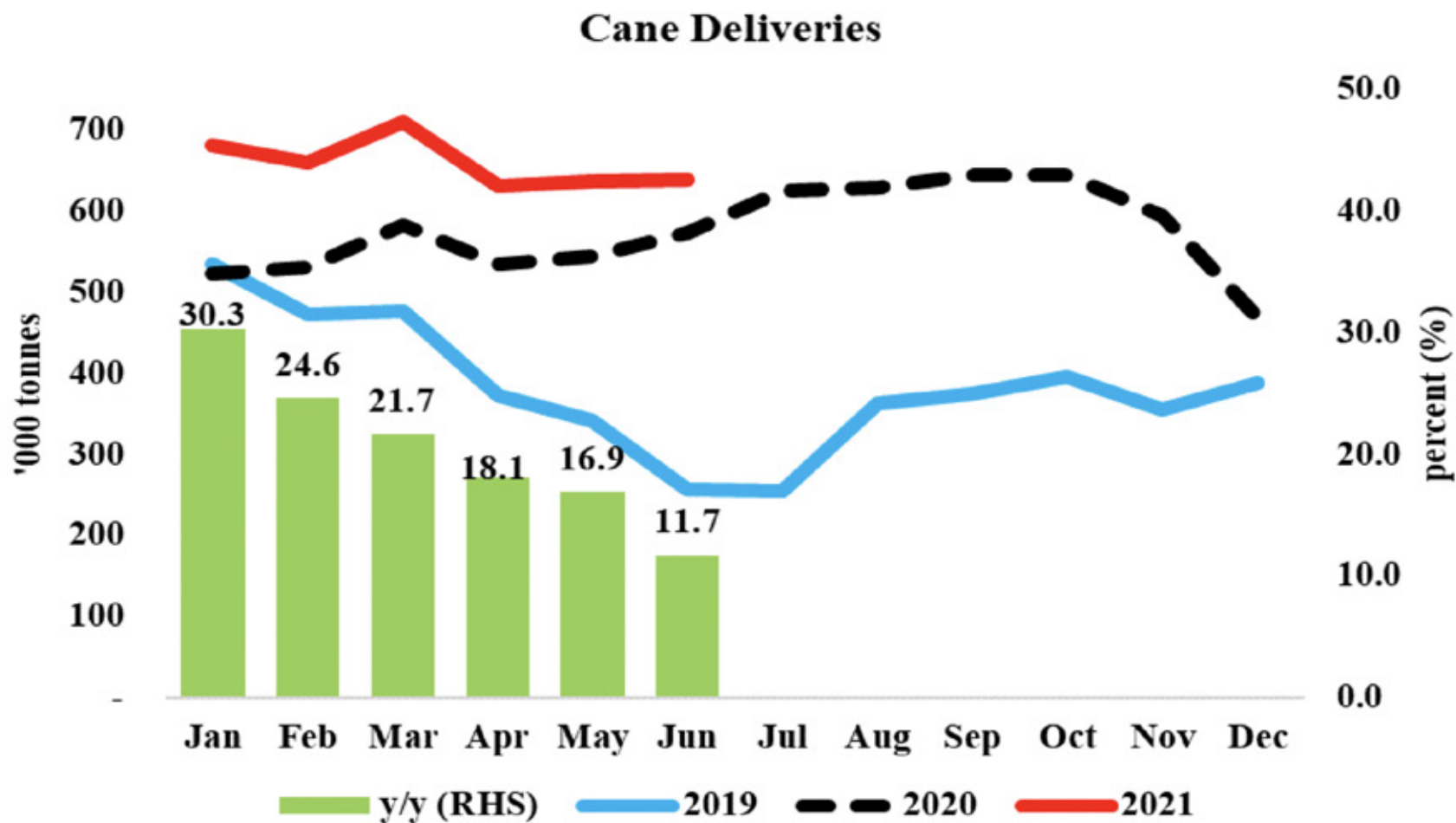


Cement Consumption



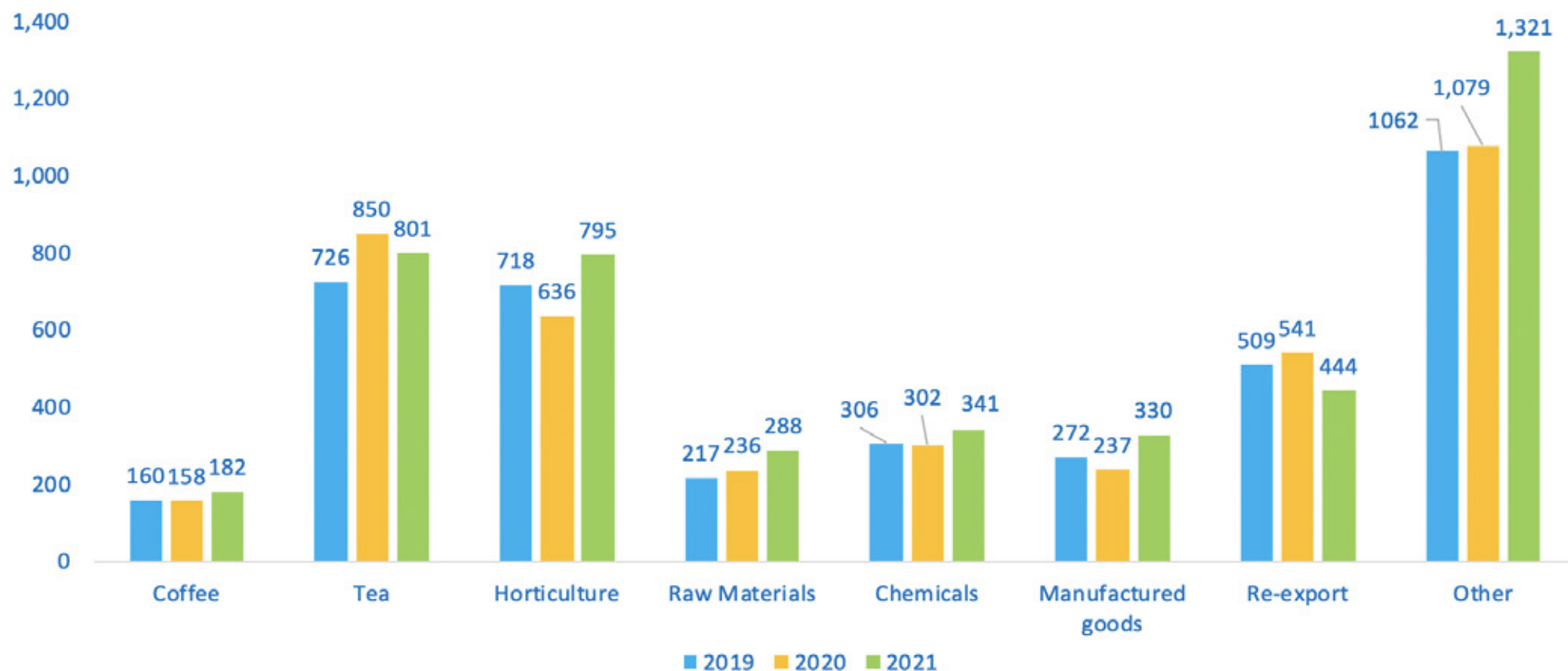
15.

Cane deliveries have remained strong



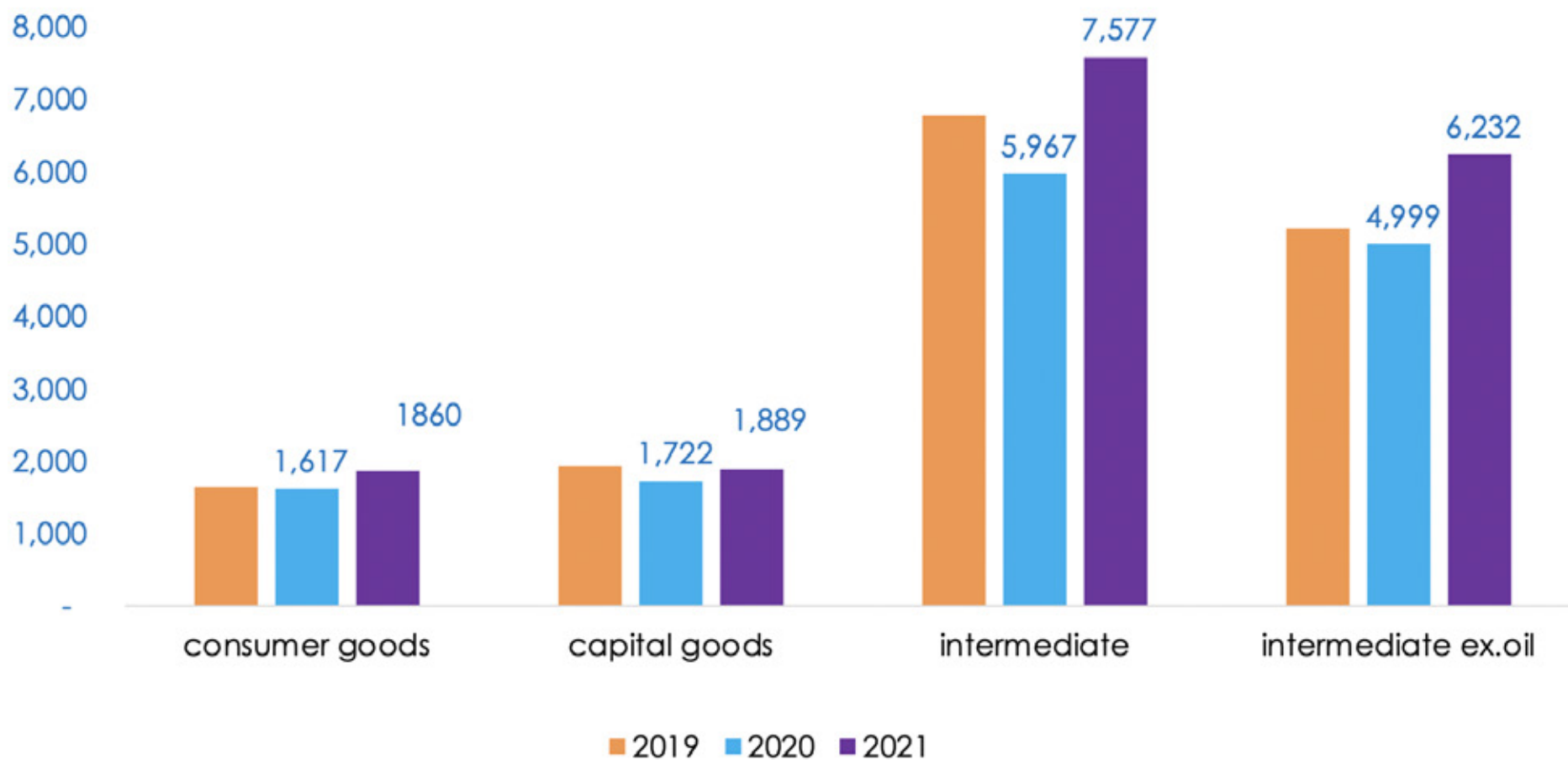
16.

Exports of goods, January to August (USD Million)



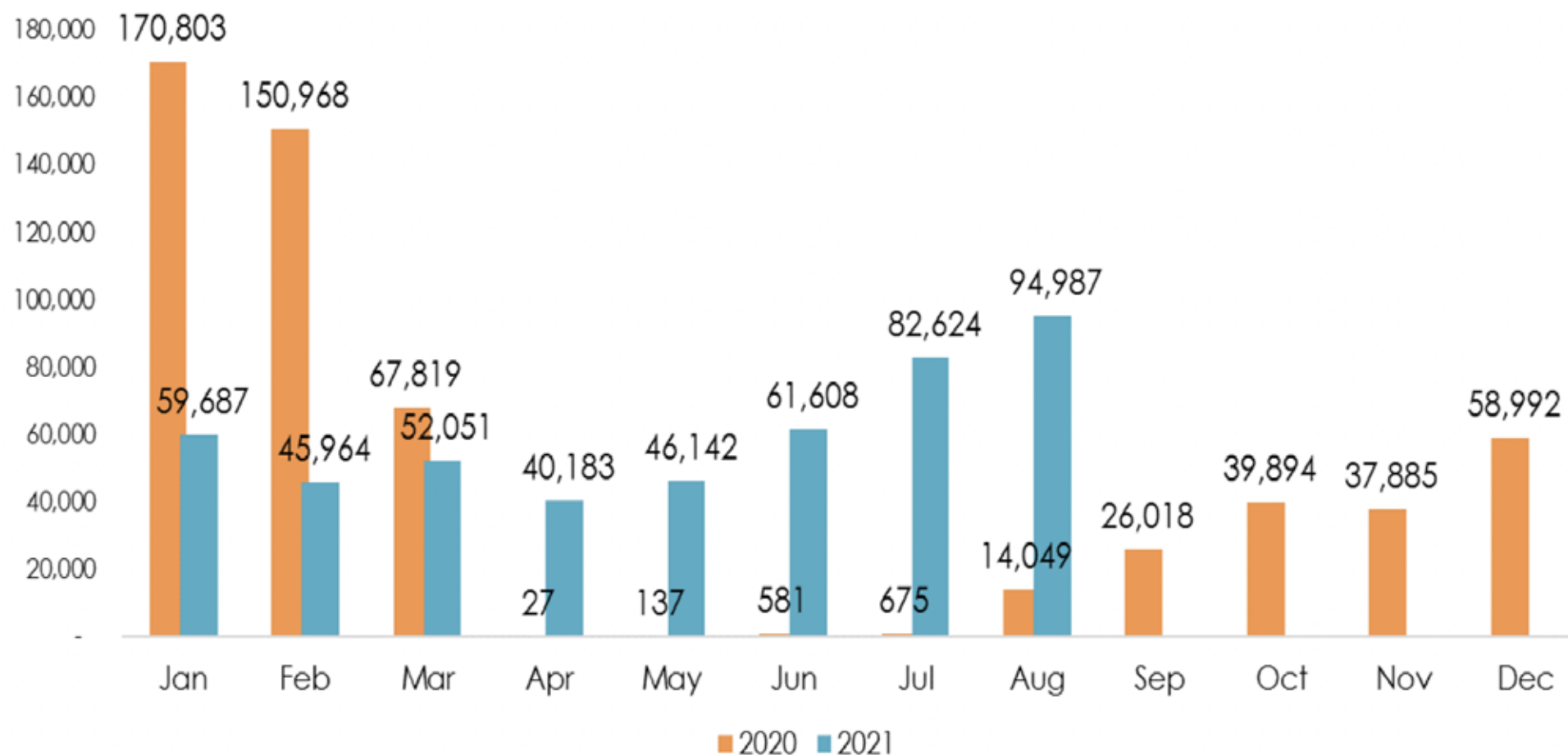
17.

Imports of goods by broad economic category, January to August (USD Million)



18.

Tourist arrivals have improved

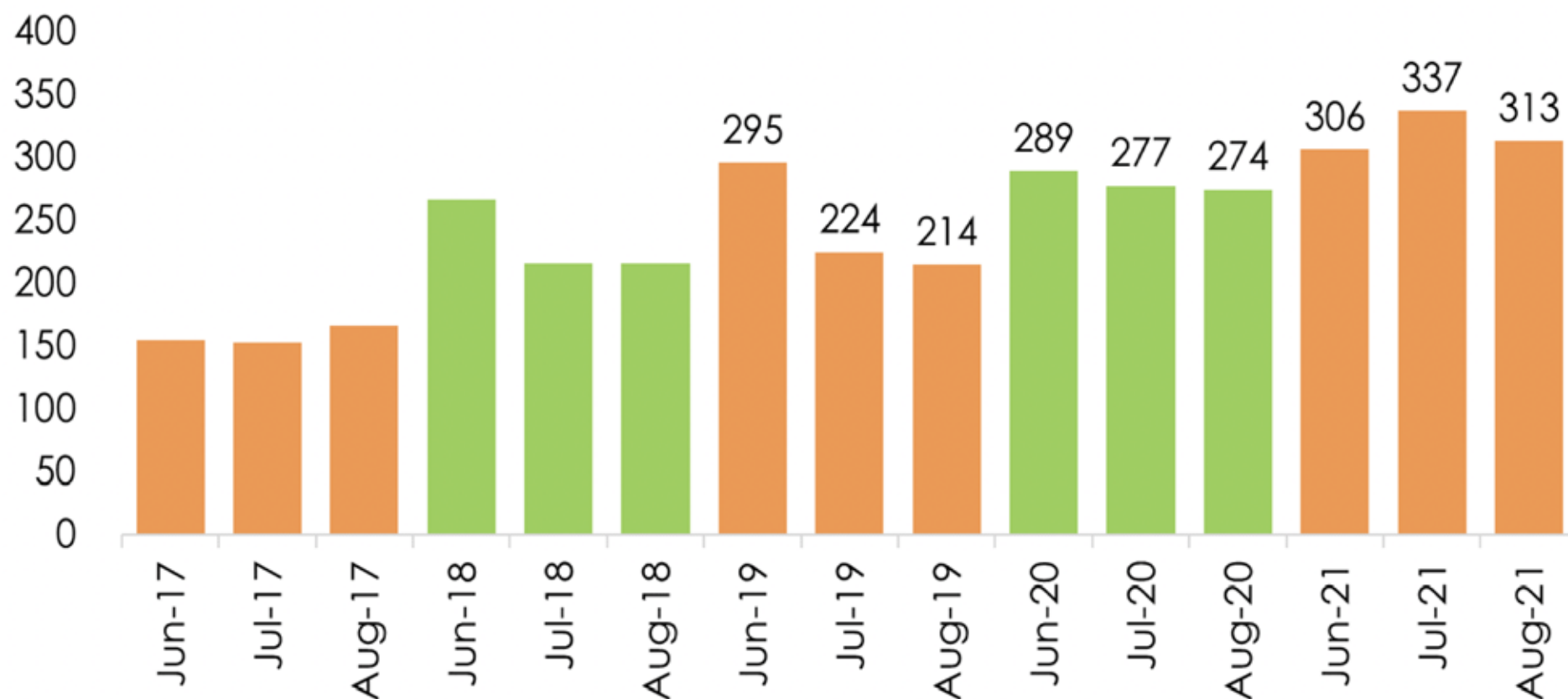


Source: Kenya Tourism Board

19.

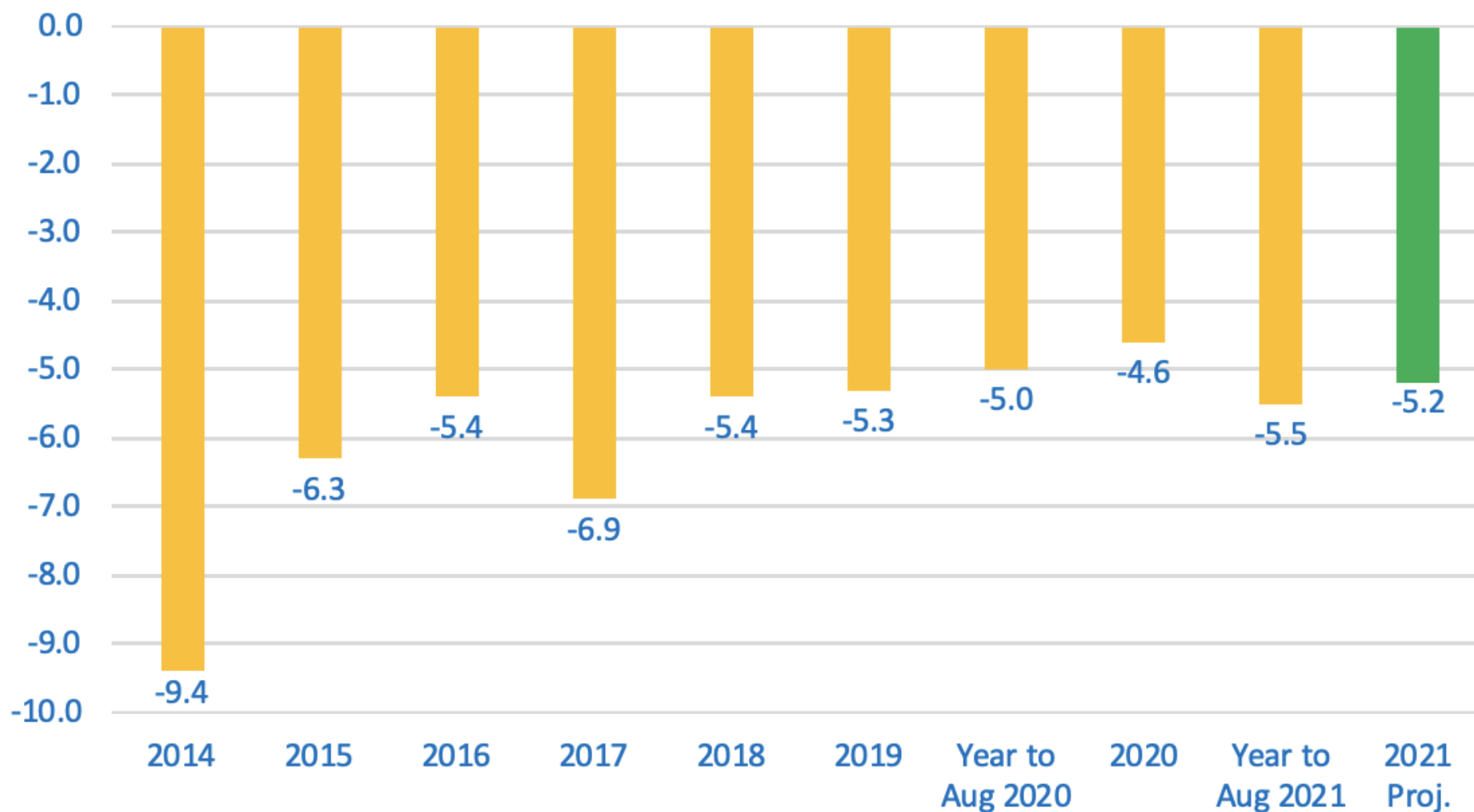
Remittances flows have remained robust

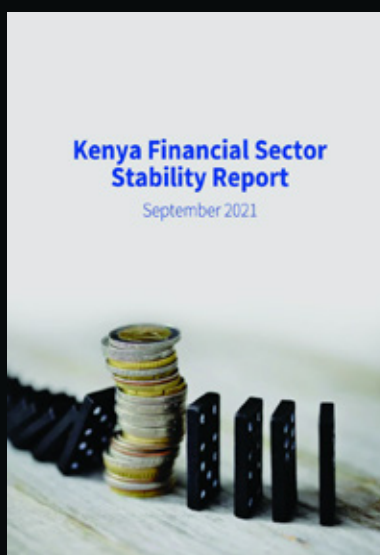
Monthly Remittances, USD mn



20.

Current Account Deficit (percent of GDP)







Thank You!

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