

Central Bank of Kenya

BACKGROUND MATERIAL FOR GOVERNOR'S PRESS CONFERENCE

Friday, November 27, 2020

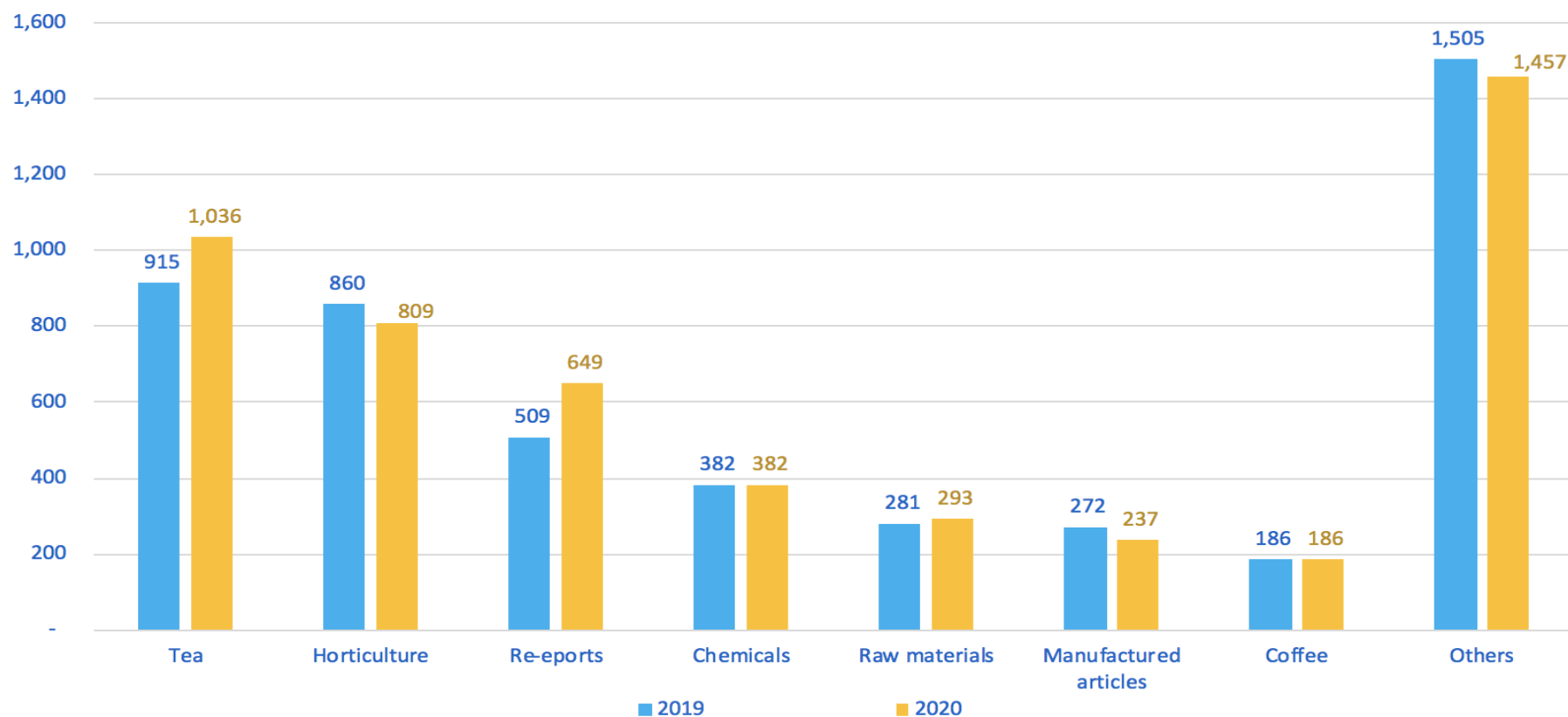
Dr. Patrick Njoroge

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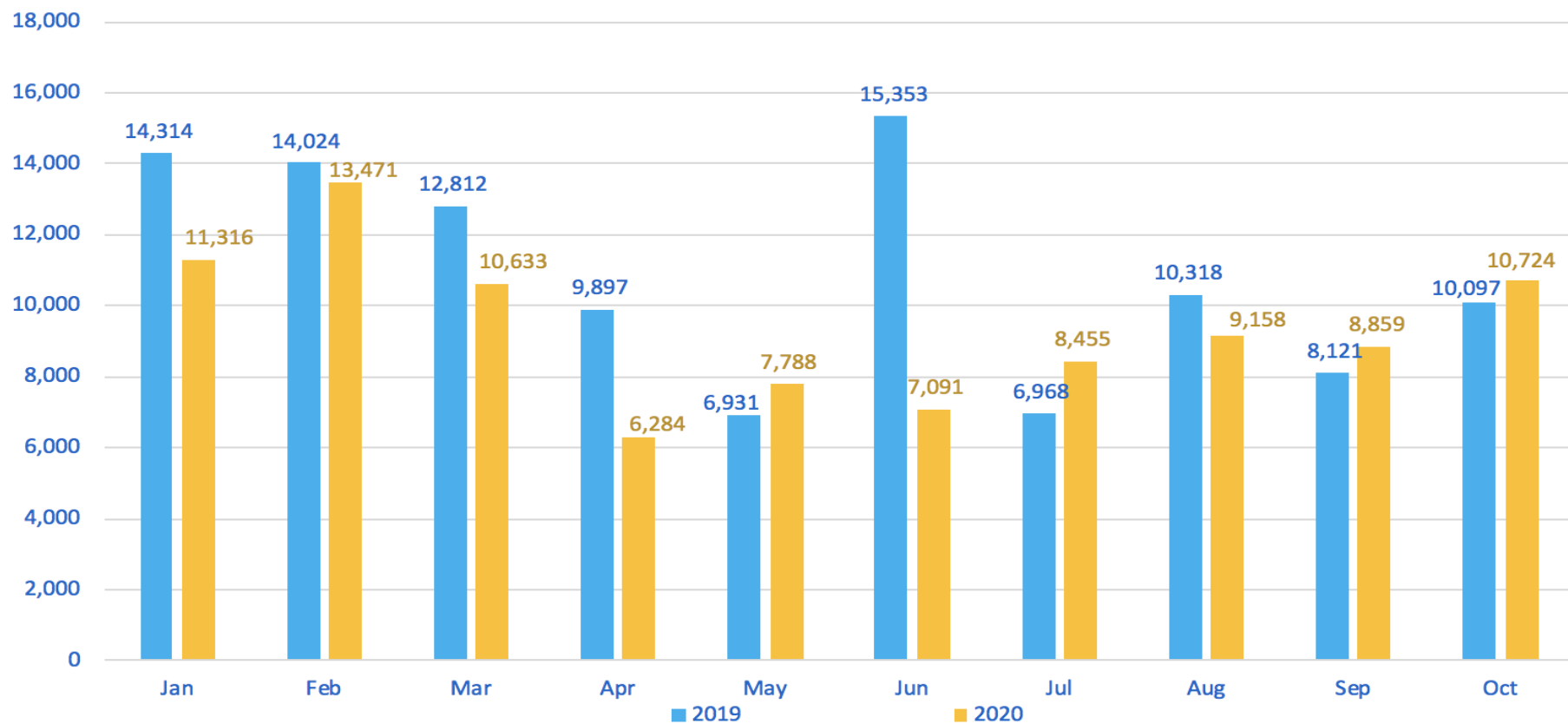
Growth in exports and production of key cash crops (year on year growth rate percent)

Exports	2019				2020		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Horticulture, exports ('000 tonnes)	2.4	-14.0	-21.5	2.2	20.0	28.4	33.0
Vegetables	-0.4	-21.2	-45.0	-13.7	17.6	59.8	80.5
Fruits and nuts	-7.6	-18.6	9.5	42.8	74.4	42.2	7.2
Cut flowers	13.8	2.7	-4.3	-3.3	-13.9	-20.2	4.2
Production	2019				2020		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Tea, production (tonnes)	6.5	-14.9	-9.6	-3.2	49.2	16.4	13.7
Coffee, sales (tonnes)	-12.0	-23.1	-33.3	-30.9	-11.8	-64.1	15.4
Cane, deliveries ('000 tonnes)	-12.1	-7.9	-21.0	-18.2	10.2	104.2	146.2*
Milk intake, formal sector (mn litres)	19.1	8.0	15.5	3.8	-2.1	-4.4	-9.7
* Compares July 2020 to a similar period in 2019.							

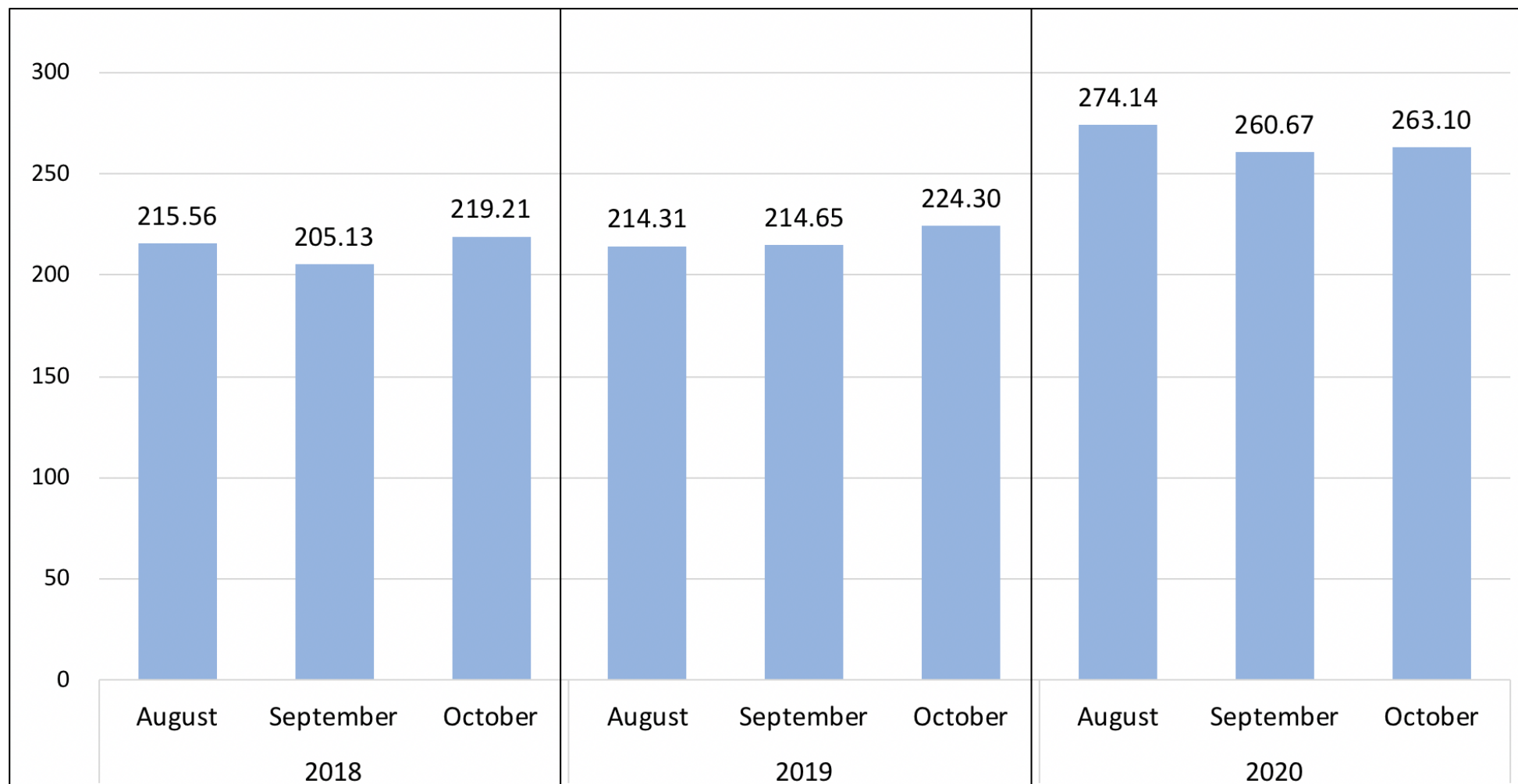
Export of Goods (January to October, US\$ Million)



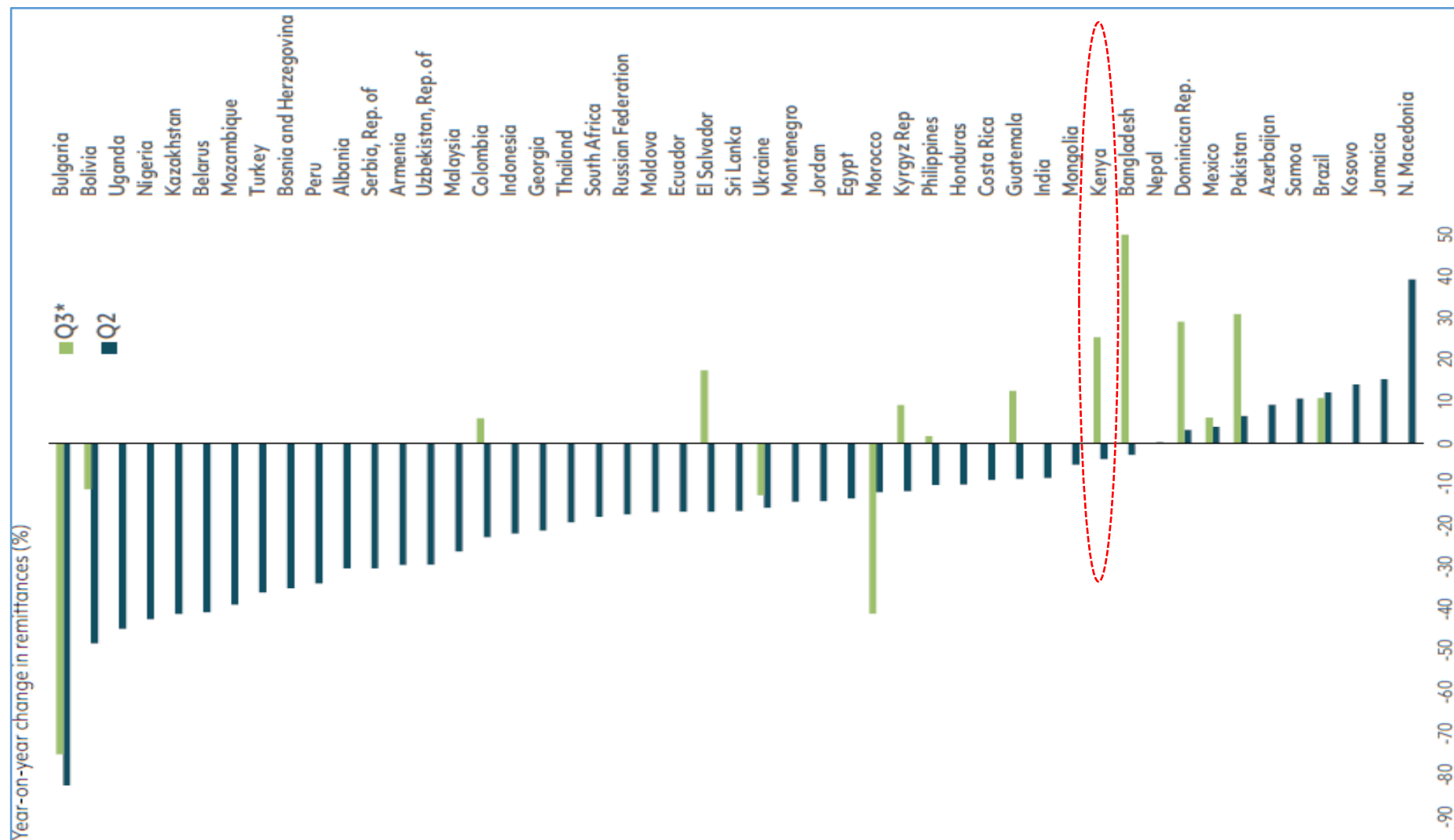
Volume of Flower Exports (Metric Tonnes)



Diaspora remittances flows (US\$ Million)

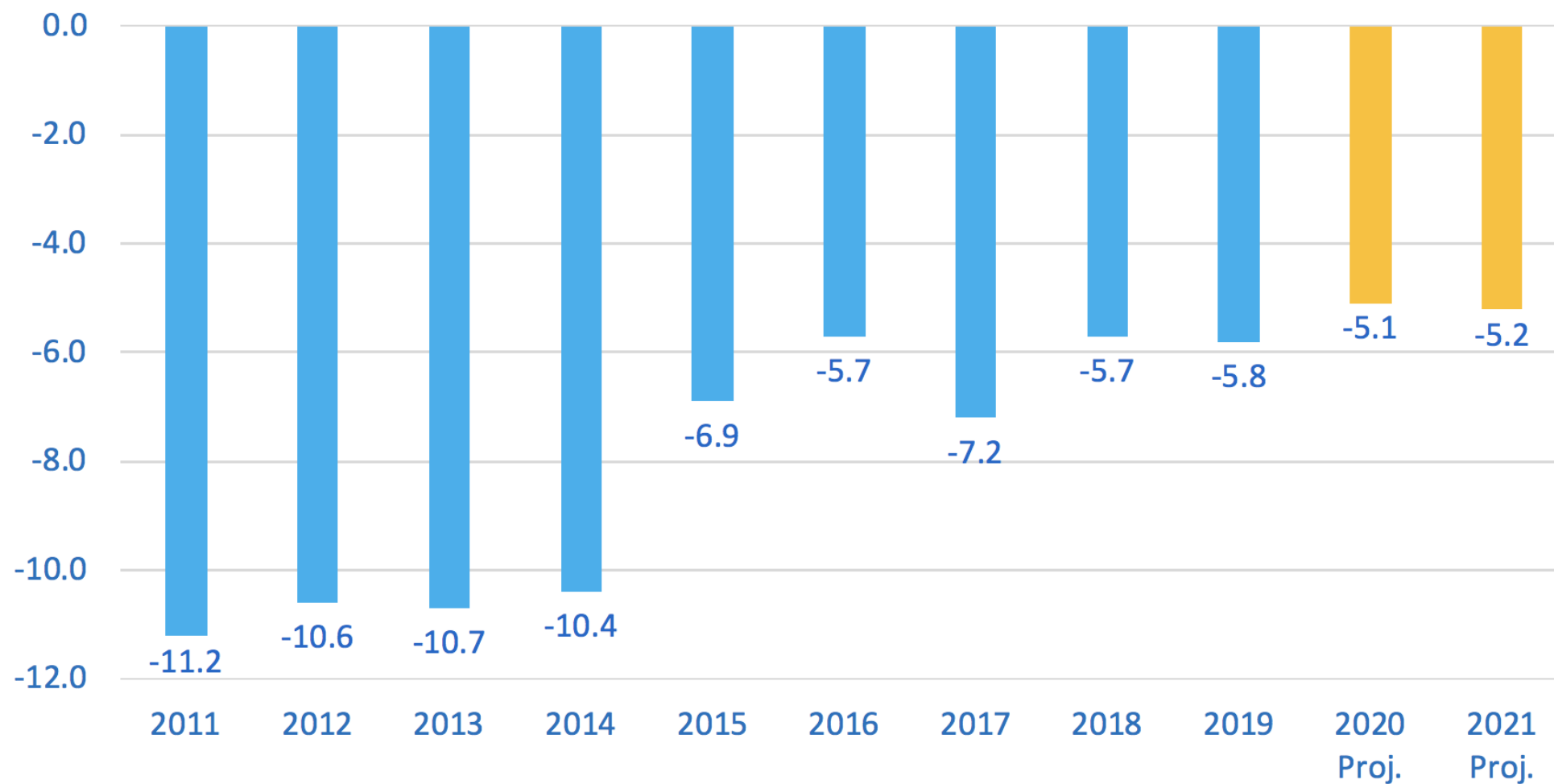


Remittances flows in selected countries in Q2 and Q3 of 2020 (year on year change percent)

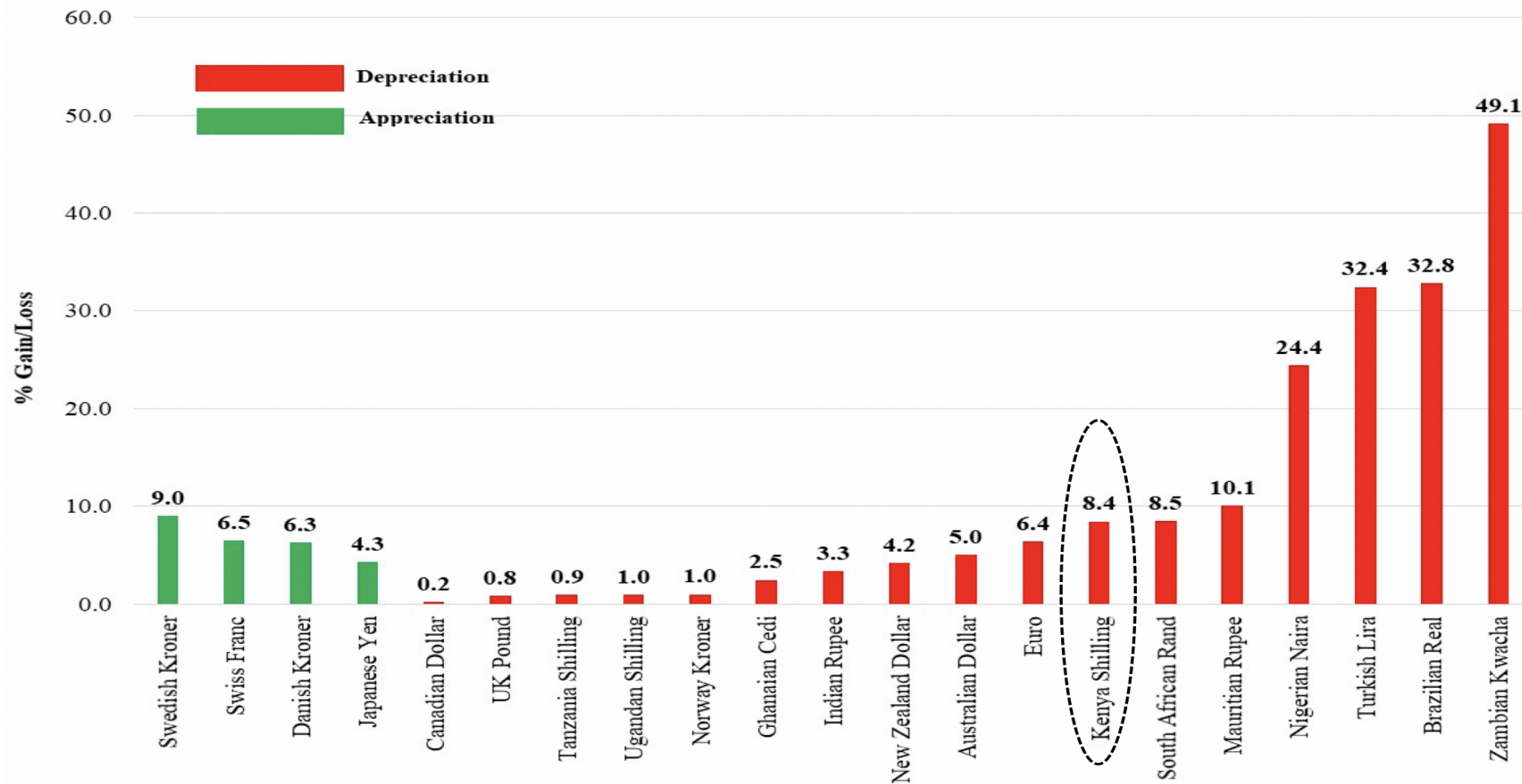


Source: Haver and World Bank-KNOMAD. *Data for Bolivia, Bulgaria, Mexico, Morocco, the Philippines, and Ukraine are for July and August only.

Current Account Balance (percent of GDP)

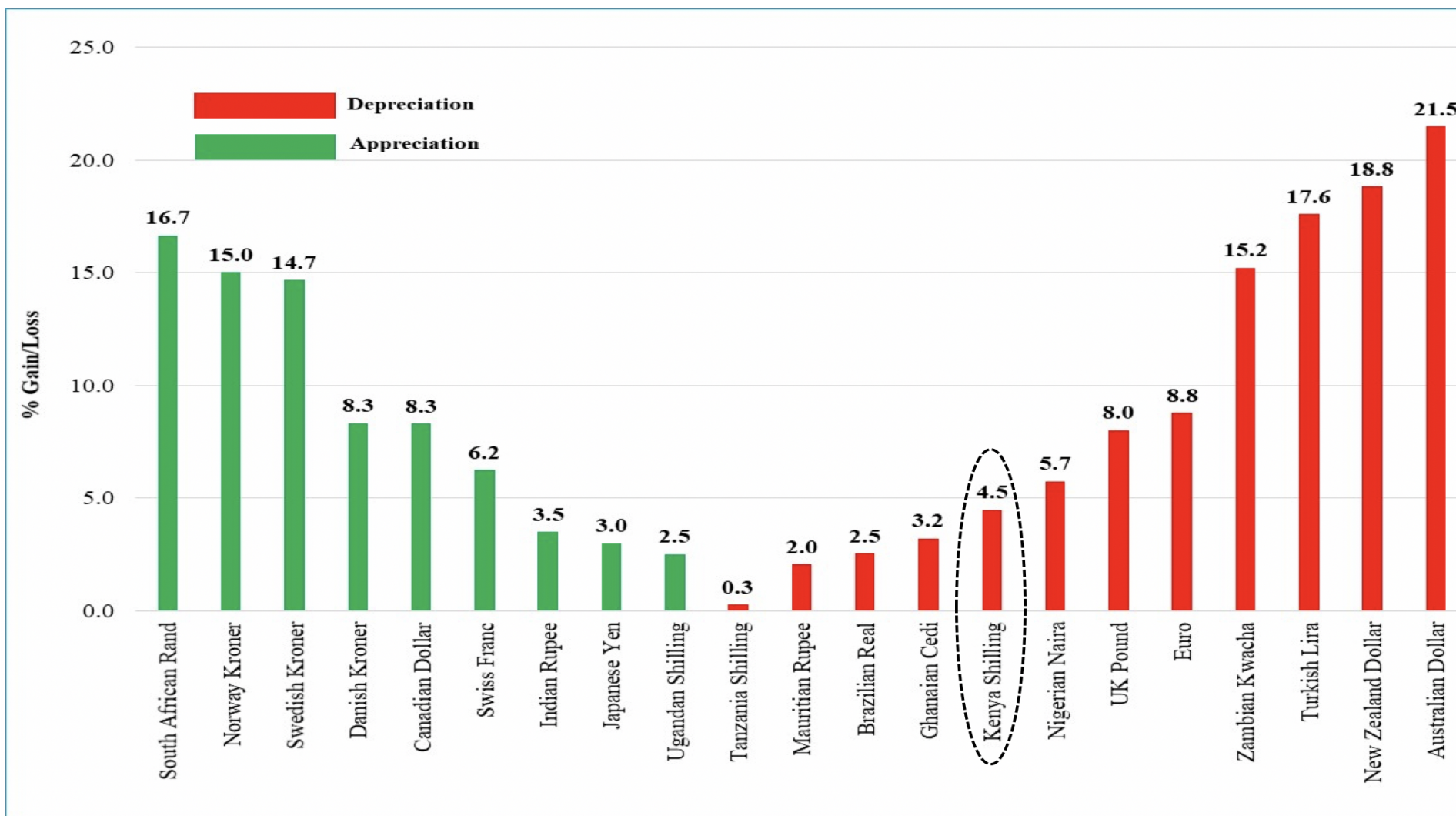


Performance of selected currencies against the U.S. Dollar (January to November 26, 2020)



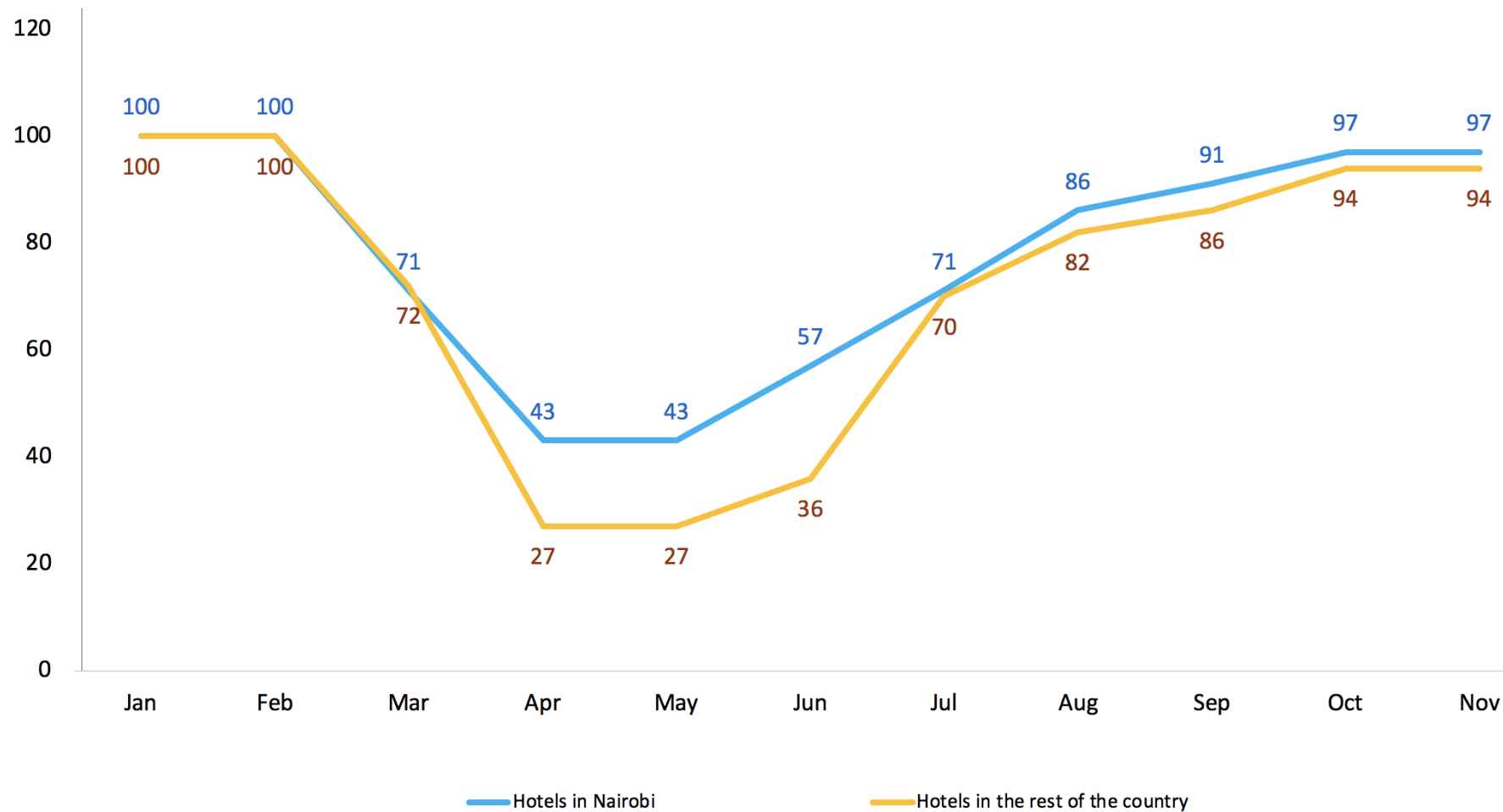
Source: Central Bank of Kenya and Thompson Reuters

Performance of selected currencies against the U.S. Dollar (March to November 26, 2020)

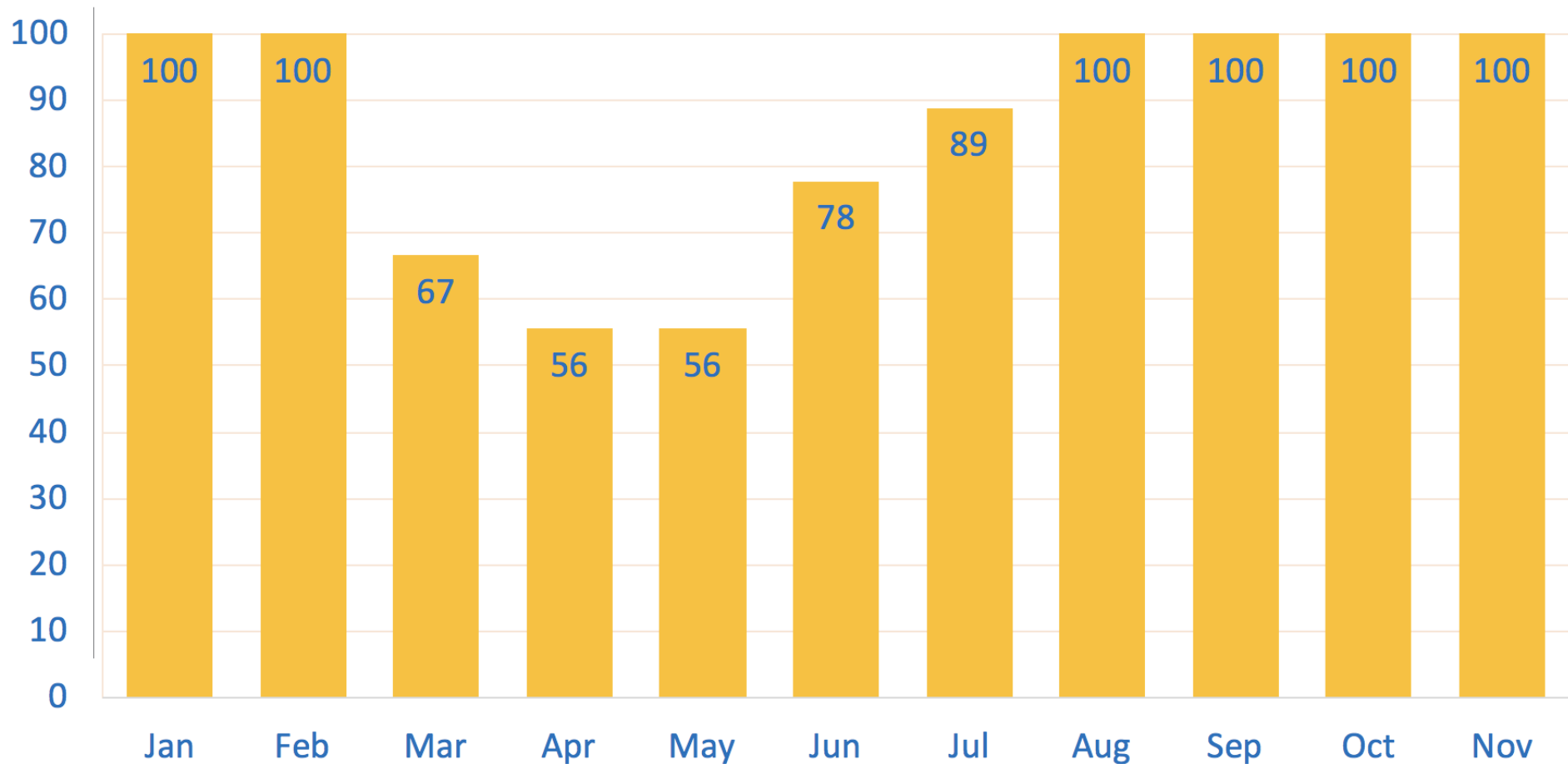


Source: Central Bank of Kenya and Thompson Reuters

Hotels in Operation, November 2020 (percent of hotels that responded)



Flower Farms in Operation, November 2020 (percent of flower farms that responded)



Comparison of real GDP growth data released by KNBS against CBK Projections (year on year percent)

	KNBS Data			November CBK estimates					Difference Between CBK and KNBS	
	2019	2020 Q1	Q2	Q1*	Q2*	Q3	Q4	2020 Annual	2020 Q1	2020 Q2
Sectors where CBK and KNBS Converge										
Agriculture	3.6	4.9	6.4	5.8	6.2	6.8	5.6	6.2	0.9	-0.2
Mining & Quarrying	2.5	9.5	10.0	9.5	10.5	9.3	9.6	9.6	0.0	0.5
Electricity & water supply	7.0	6.3	-0.6	6.3	3.1	4.2	4.9	3.6	0.0	3.7
Wholesale & Retail Trade	6.6	6.4	-6.9	6.4	-6.5	4.1	5.0	2.2	0.0	0.4
Accommodation & restaurant	10.3	-9.3	-83.3	-9.3	-64.9	-54.9	-28.3	-39.3	0.0	18.4
Transport & Storage	7.8	6.1	-11.6	6.1	-11.4	-0.4	3.2	-0.6	0.0	0.2
Financial & Insurance	6.6	6.2	4.2	6.2	4.9	5.0	5.3	5.2	0.0	0.7
Professional, Admin & Support Services	4.9	4.4	-15.7	4.4	-0.8	-5.3	2.2	-3.6	0.0	14.9
Real estate	5.3	4.3	2.2	4.3	2.5	3.6	4.1	3.6	0.0	0.3
Health	5.8	5.8	10.3	5.8	8.5	14.5	15.1	11.6	0.0	-1.8
Other services	5.1	2.2	-8.5	2.2	1.8	-2.1	2.0	-1.6	0.0	10.3
FISIM	6.1	5.0	4.0	5.0	2.8	1.3	1.7	3.0	0.0	-1.2
Sectors where CBK and KNBS Diverge										
Manufacturing	3.3	2.9	-3.9	2.9	1.2	2.9	3.1	2.5	0.0	5.1
Information & Communication	9.0	9.7	4.3	9.7	15.3	18.8	15.1	14.6	0.0	11.0
Public administration	8.1	6.7	5.7	6.7	7.3	7.6	7.1	7.2	0.0	1.6
Education	5.4	5.3	-56.2	5.3	-56.2	-32.8	-0.6	-21.1	0.0	0.0
Taxes on products	4.4	3.4	-14.2	3.4	-14.2	-4.3	-1.2	-4.1		
Real GDP Growth	5.4	4.9	-5.7	5.2	-4.7	0.6	3.9	1.3		
Real GDP excluding Education				5.1	-0.9	3.1	4.3	2.9		
<i>*Revised in line with leading economic indicators and Ministry of Agriculture projections</i>										

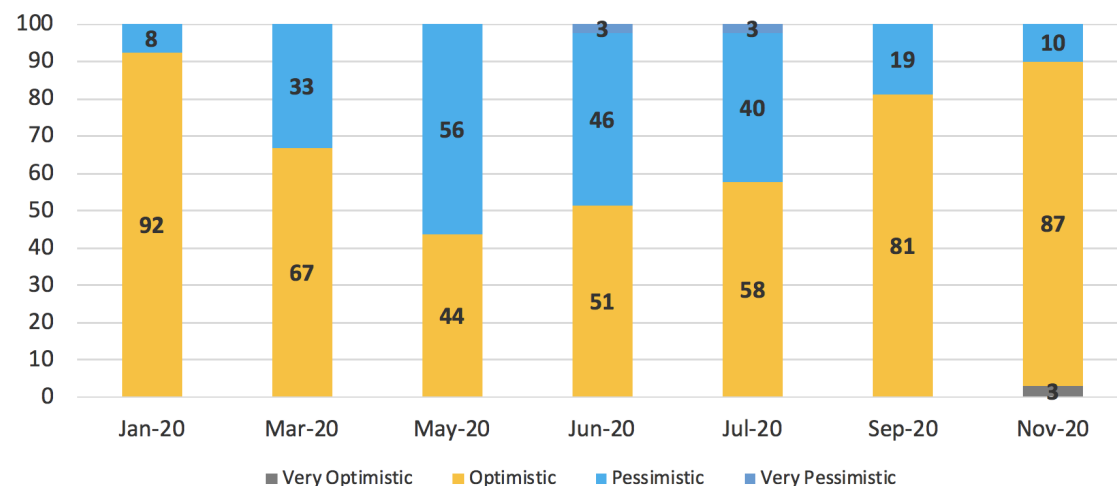
Projected crop production in 2020 (Millions of 90 kgs bags)

	2015	2016	2017	2018	2019	Initial 2020 forecast estimates	Sept. 2020 forecast production	Nov. 2020 forecast production	Projected Growth (%)
Maize Production	42.5	37.8	35.4	44.6	39.8	36.9	42.9	44.9	12.7
Beans Production	8.5	8.1	9.4	9.3	8.3	4.9	10.5	7.7	-7.0
Potato Production	2	1.3	1.5	1.9	2	1.5	2.3	2.4	19.8
Sorghum Production	2.1	1.3	1.6	2.1	3.2	1.6	3.1	3.1	-2.8
Millet Production	1.1	0.6	0.6	0.8	1.5	0.8	0.7	1.1	-25.8
Wheat Production	2.7	2.4	1.8	3.7	4.1	4.5	5.2	4.2	1.4
Rice							1.2	1.6	

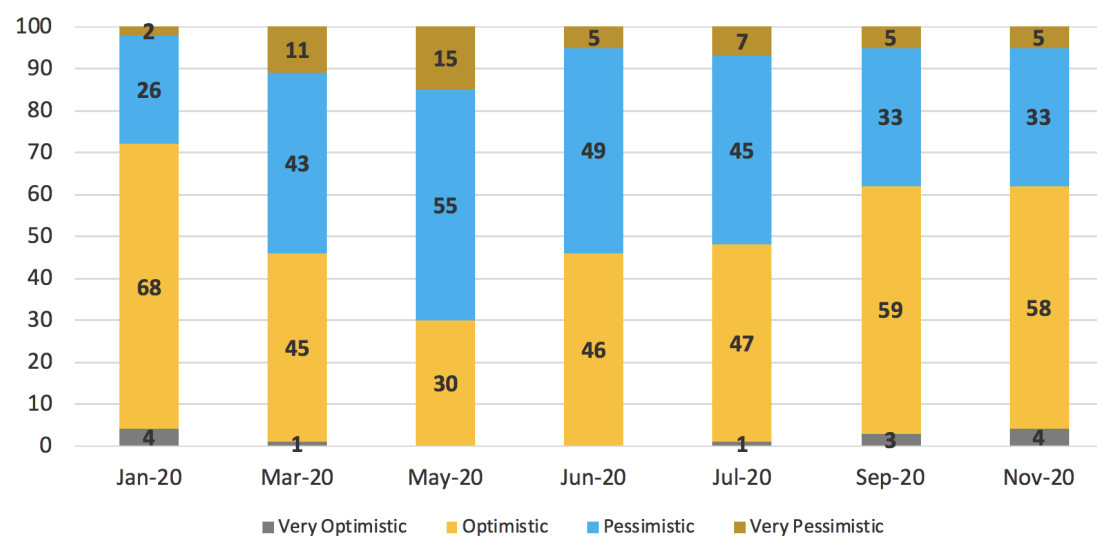
Source: Ministry of Agriculture

MPC Market Perceptions Survey (November 2020)

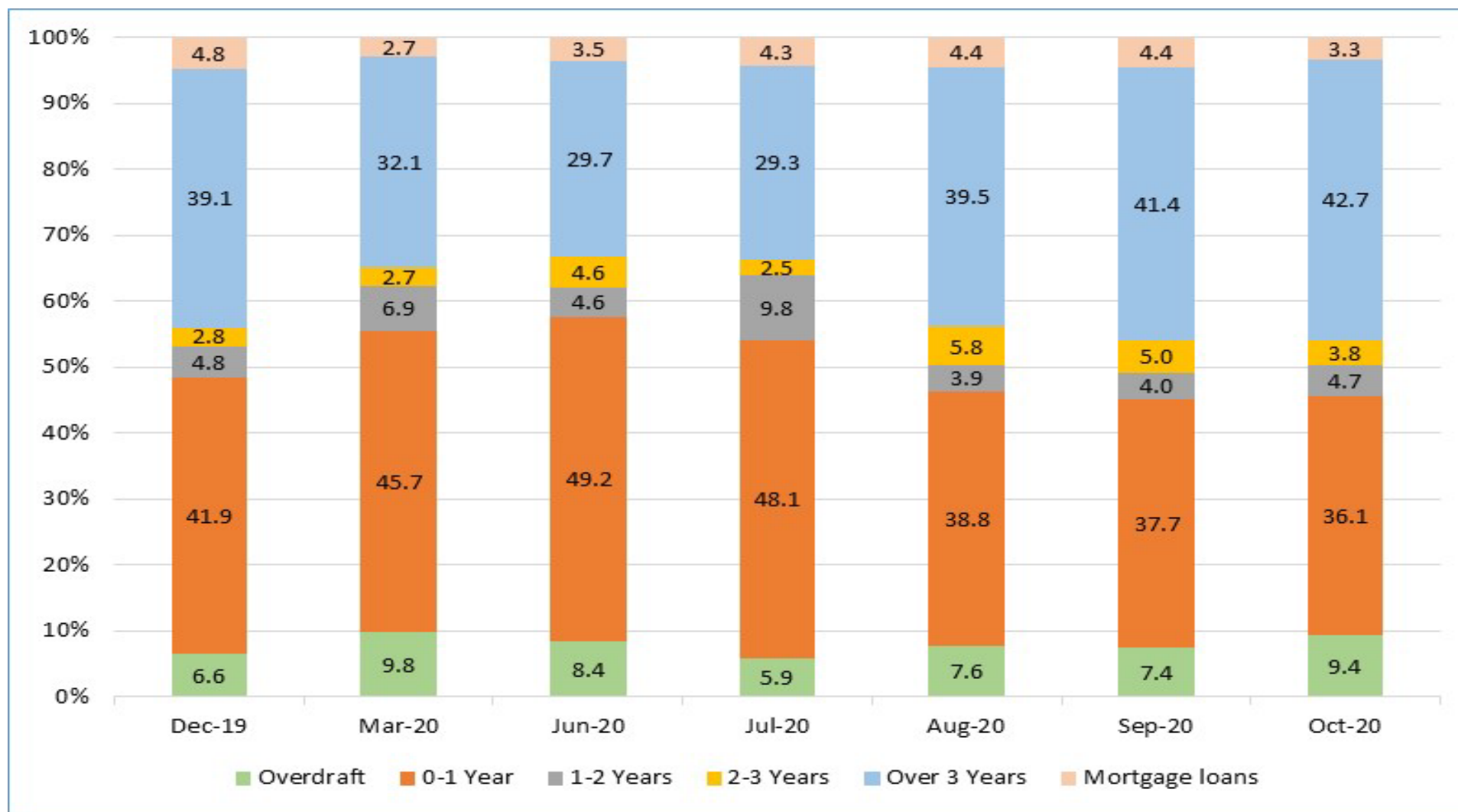
Optimism by banks (%)



Optimism by non-bank private sector firms (%)



Composition of monthly loans by maturity (percent of total loans approved)



Thank You!

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