

Statistical Release

Gross Domestic Product Second Quarter 2012

1.0 Economic performance

The economic slowdown that started in the first quarter of 2012, spilled into the second quarter when most of the sectors registered suppressed activities compared to their performance during the same quarter in 2011. The economy expanded by 3.3 per cent during the quarter under review compared to a growth of 3.5 per cent, in the second quarter of 2011. Seasonally adjusted gross domestic product grew by 0.1 per cent in the second quarter of 2012 after increasing by 0.5 per cent in the first quarter.

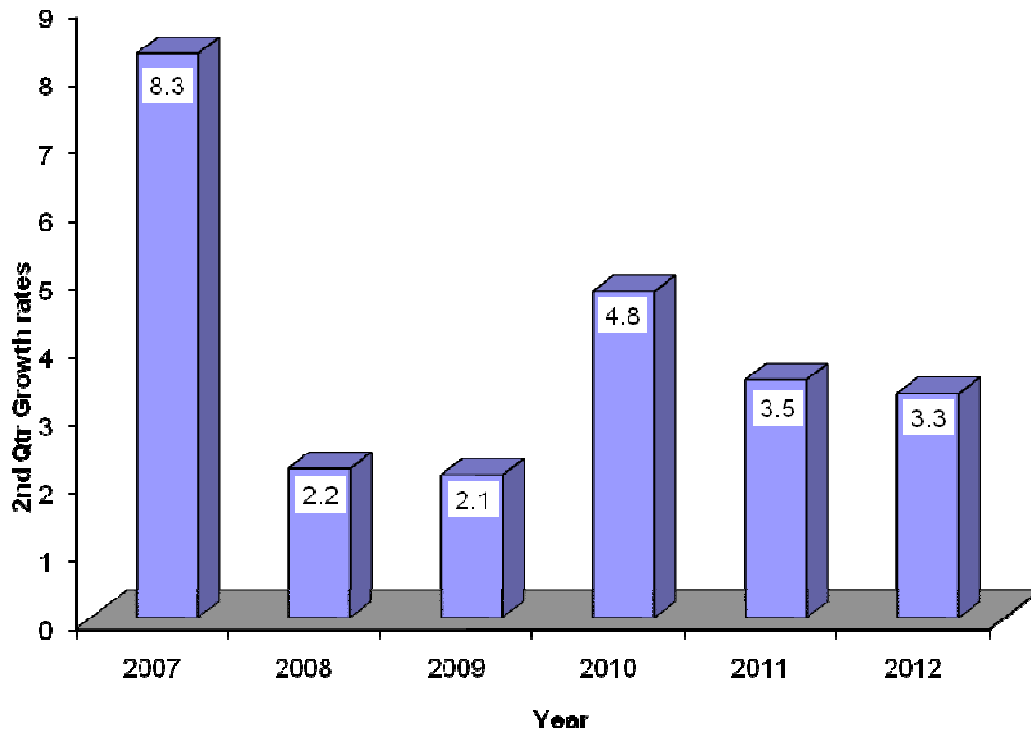
Agriculture and forestry slowed substantially growing by 1.6 per cent compared to a growth of 4.2 per cent in the second quarter of 2011. The decline in performance of agriculture was mainly an outcome of a decrease in exports of cut flowers, fruits, vegetables and tea. Production of coffee, however, increased significantly but did not wholly compensate for the impacts of the decline in production of tea and horticultural crops. Other sectors whose growth decelerated compared to the respective quarter of 2011 include construction, hotels and restaurants, mining and quarrying, real estate and business services, and financial intermediation.

Despite the slowdown of economic activities, a handful of sectors recorded improved performance. The most impressive expansions were witnessed in the electricity and water and fishing sectors which grew by 13.0 and 9.6 per cent respectively. The significant growth in the electricity sector was against a backdrop of improved hydro power generation which resulted in cheaper costs of inputs. Financial intermediation and transport and communications also performed well during the quarter under review.

During the second quarter, inflationary pressures eased slightly mainly driven by lower food and fuel prices and the tightening the monetary policy stance. Overall inflation rate declined to 10.05 in June from 14.49 in June 2011. During the review period the Kenya Shilling remained relatively stable against major world currencies.

Figure 1 depicts the trend of the second quarter growths since 2007. After attaining a high of 8.3 per cent in 2007, the growth slumped to about 2 per cent in 2008 and 2009. In 2010, the economy registered a remarkable growth of 4.8 per cent but then decelerated to 3.5 per cent in 2011 and further to 3.3 per cent in 2012.

Figure 1: Second quarter growth rates



2.0 Sectoral analysis

2.1 Agriculture and Forestry

In the first half of 2012, the sector's performance was influenced by a combination of factors. First, there was severe frost that impacted negatively on the production of tea and other vulnerable crops like potatoes. Secondly, the onset of long rains delayed leading to suppressed agricultural activities mainly in the food crops subsector during the first quarter. Thirdly, exports of Kenyan horticultural products were negatively impacted on by the slowed demand in the European market. As a consequence, the sector's growth decelerated to 1.6 per cent in the second quarter of 2012 compared to a growth of 4.2 per cent in the same quarter of 2011.

During the second quarter, production of tea declined by 8.1 per cent to stand at 85.7 thousand metric tonnes compared to 93.3 thousand metric tonnes in the same quarter of 2011. Over the same period, coffee deliveries to marketing boards increased to 14.2 thousand metric tonnes from 3.4 thousand metric tonnes which was a rebound after a decline of 53.7 per cent during the previous period. Quantities of exports of cut flowers, fruits and vegetables declined by 15.5, 16.0 and 14.5 per cent respectively, in the second quarter 2012 compared to the same quarter 2011. The decline in the export of horticultural products was primarily due to suppressed external demand that resulted from the recession in the Euro zone.

2.2 Manufacturing

The sector is estimated to have recorded a growth of 3.0 per cent in second quarter of 2012 compared to 2.5 per cent in the same period in 2011. The expansion was primarily driven by growth in the activities of manufacture of food and beverage sub-sector which grew by 7.7 per cent. On the other hand, all other manufacturing, whose key indicators include cement production, assembly of motor vehicles, manufacture of textiles clothing and footwear among others managed a paltry growth of 1.0 per cent during the review period. The growth in the manufacture of foods was mainly due to increased production of beer, cigarettes, wheat flour, and processing of coffee. Production of milk, maize meal and soft drinks recorded declines during the review period. The slowdown in the other manufacturing was mainly due to declines in processing of crude petroleum, manufacture of motor vehicle tyres and galvanized sheets.

2.3 Electricity and Water

Electricity and water supply posted the highest growth of 13.0 per cent during the quarter under review compared to a contraction of 3.2 per cent during a similar period in 2011. The strong expansion was principally due to increased reliance on hydro and geothermal power generation which resulted in higher gross value added. Hydro and geothermal electricity generation expanded by 21.9 per cent and 6.4 per cent respectively, while thermal generation contracted by 25.5 per cent. Total electricity generation increased by 1.5 per cent from 1,778 million KWh in the second quarter of 2011 to 1,805 million KWh in the same quarter of 2012. Electricity consumption increased to 1,660 million KWh in the second quarter of 2012 compared to 1,584 million KWh in the same period of 2011.

2.4 Construction

The sector growth slowed to 1.4 per cent during the second quarter of 2012 compared to a growth of 5.1 per cent realized during a similar period in 2011. This was the second consecutive quarter on quarter deceleration this year despite increased credit to the sector.

2.5 Hotels and Restaurants

During the second quarter of 2012, activities of the hotels and restaurants were negatively impacted on by uncertainty emanating from terrorism threats and constrained external demand especially from the European markets. Consequently, the sector's growth fell to 1.9 per cent during the review period compared to an expansion of 2.9 cent in 2011. The slump in growth was reflected in the tourist arrivals in the Moi International Airport which declined by 16.9 per cent from 22,024 visitors in the second quarter of 2011 to 18,295 visitors during the review period. However, arrivals in the Jomo Kenyatta International Airport increased by 9.8 per cent to stand at 234,282 visitors in the second quarter of 2012.

2.6 Transport and communication

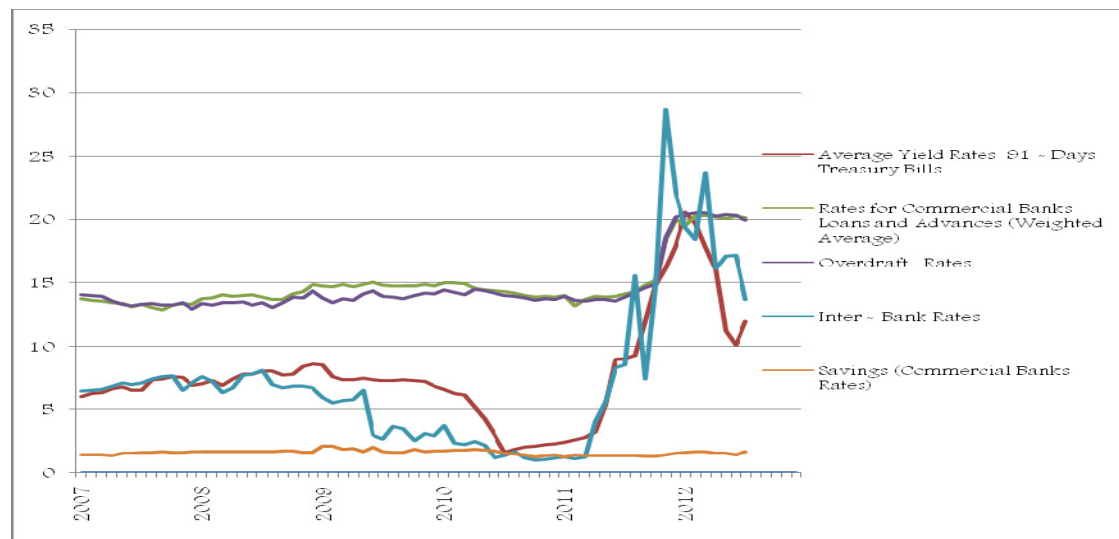
Transport and communication is estimated to have expanded by 4.6 per cent during the review period. This growth was mainly on account of resilience of the communication activities which grew by 7.0 per cent during the second quarter of 2012 compared to the same quarter in 2011. Value added of the transport and storage activities grew by 2.9 per cent as mirrored by an increase of 3.8 per cent in the consumption of light diesel during the quarter compared to the same quarter in 2011. Over the same period, the tonnage of exports and imports increased by 12.8 per cent and 15.5 per cent, respectively.

2.7 Financial Intermediation

Commercial banks credit to most sectors of the economy recorded reduced growth rates in the year to June 2012. However, credit to construction and, finance and insurance sectors increased during this period. The contraction in credit was mainly attributable to the tightening of the monetary policy by the Central Bank. Despite the contraction in credit to the private sector the financial intermediation sector posted a growth of 6.4 per cent during the quarter under review compared to a growth of 8.1 per cent during a similar period in 2011.

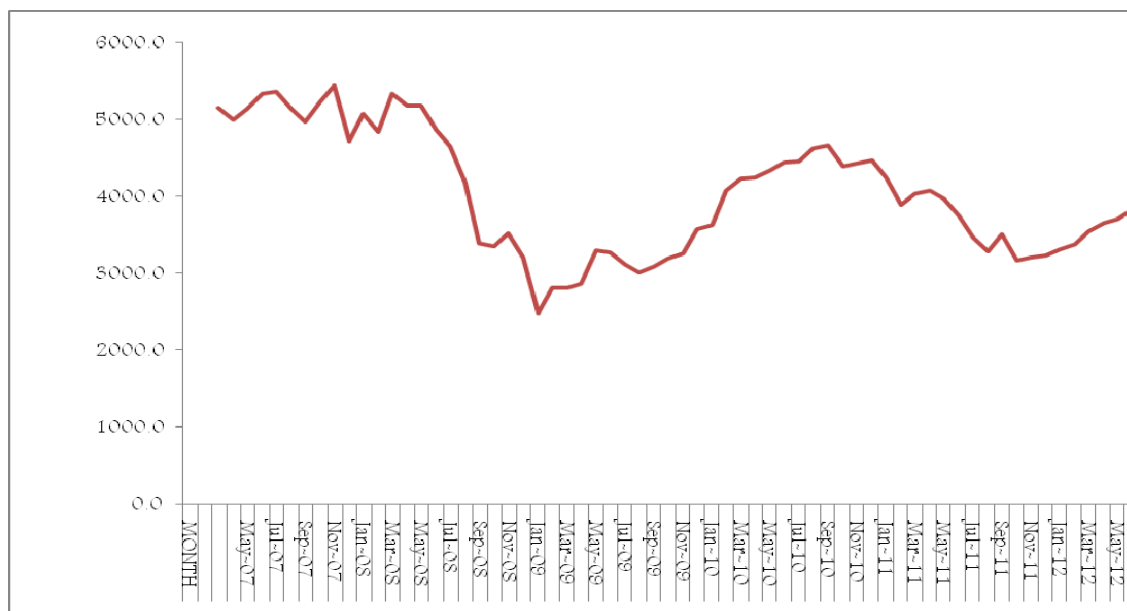
During the quarter under review, the average interest rate on 91-day treasury bills declined significantly from 17.80 per cent in March 2012 to 10.09 per cent in June 2012 dropping by 7.71 percentage points. The commercial banks' lending rates remained high, with the weighted interest on loans and advances, and overdraft standing at 20.30 per cent and 20.36 per cent respectively, in June 2012. Interest rates on savings deposits rate remained low at 1.46 per cent in June 2012 compared 1.72 per cent March 2012 resulting in a wide spread of 18.84 points compared to 18.62 points recorded in March 2012.

Figure 2: Trends in principal interest rates



The net foreign assets of the banking system decreased from KSh 276.1 billion in March 2012 to KSh 230.0 billion in June 2012. Over the same period, extended broad money supply M3 grew from KSh 1,517.1 billion in March 2012 to Ksh 2,447.6 billion in June 2012. This growth in money supply was on account of a 56.3 per cent increase in total domestic credit from KSh 1,590 billion in March 2012 to KSh 2,487.3 billion in June 2012. The NSE 20 share index continued with a downward trend declining from 3,881 points to 3,367 points over the same period. Trends in the NSE 20 share index up to the second quarter of 2012 are shown in Figure 3.

Figure 3: Nairobi 20 Share Index



3.0 Balance of Payments

The country's overall balance of payments position, as measured by the change in net international reserves recorded a surplus of KSh 50,053 million during the second quarter of 2012, an improvement from a surplus of KSh 37,018 million recorded in the preceding quarter as shown in Table 3. The current account deficit improved by 35.4 per cent to KSh 63,302 million in the second quarter of 2012 from KSh 97,930 million recorded in a similar period of 2011. The capital and financial account net inflows account amounted to KSh 56,766 million in the second quarter of 2012. Inward capital flows mainly occurred in the form of project loans and short term capital. Gross official reserves increased from KSh 511,538 million in the first quarter of 2012 to KSh 595,979 million in the second quarter of 2012 representing 4.3 months of import cover.

Services account surplus increased by 11.6 per cent in second quarter of 2012 mainly due to increased foreign exchange receipts from tourism, transportation communication and financial services. Current transfers inflows increased to KSh 52,960 million in the second quarter of 2012 compared to KSh 46,385 million recorded in similar period in 2011. Personal transfers increased by 37.7 per cent to record KSh 24,909 million in the second quarter of 2012.

Merchandise trade balance indicated a trade deficit of KSh 219,911 million in the second quarter of 2012 from a deficit of 184,119 million during the second quarter of 2011 as shown in Table 4. The value of exports declined to KSh 123,658 million during the second quarter of 2012 down from KSh 124,006 million for the second quarter of 2011. This may be attributed to suppressed exports of tea and horticultural crops coupled with the stabilization of Kenya shilling during the first half of year of 2012. Imports amounted to KSh 343,570 million in the second quarter of 2012; up from KSh 308,125 million registered in the corresponding period of 2011, mainly on account of increased import bills on petroleum oil, manufactured products and goods for intermediate consumption. The country's volume of trade rose by 8.1 per cent to KSh 467,228 million in the second quarter of 2012 from KSh 432,131 million in the similar quarter of 2011.

Table 1 Gross domestic product by activity

Constant 2001 prices –KSh million

Year	Quarter	Agriculture and forestry	Fishing	Mining and quarrying	Manufacturing	Electricity and water	Construction	Wholesale and retail trade	Hotels and restaurants	Transport and communication	Financial intermediation
2005		299,798	5,751	5,335	115,698	27,751	35,401	106,095	15,572	122,317	45,030
2006		312,926	6,249	5,554	122,953	27,288	37,649	118,361	17,894	136,306	47,170
2007		320,423	6,181	6,272	130,673	29,769	40,405	131,754	20,814	156,845	50,306
2008		307,354	5,363	6,453	135,291	31,341	43,735	138,044	13,298	161,615	51,659
2010		299,431	5,565	6,163	137,060	30,397	49,270	143,460	18,993	171,994	55,375
2011		318,586	5,713	6,763	143,263	33,335	51,486	154,942	19,796	182,181	60,379
2005	1	69,697	1,613	1,284	28,093	6,935	8,282	24,024	5,113	28,630	11,043
	2	64,209	1,054	1,284	28,919	6,879	8,506	25,184	3,034	28,139	11,158
	3	80,727	1,429	1,433	28,539	6,964	9,600	27,502	3,850	32,590	11,316
	4	85,165	1,655	1,334	30,147	6,973	9,013	29,385	3,575	32,958	11,513
2006	1	69,627	1,669	1,287	30,026	6,754	9,042	27,249	5,207	33,993	11,553
	2	67,544	1,110	1,327	30,237	6,763	8,992	28,661	3,383	33,269	11,780
	3	85,982	1,515	1,441	31,027	6,805	9,746	32,711	4,802	35,541	11,785
	4	89,772	1,956	1,499	31,663	6,967	9,869	29,741	4,503	33,503	12,051
2007	1	75,894	1,640	1,392	31,736	7,118	8,671	29,935	5,510	36,942	12,317
	2	68,909	1,152	1,568	32,630	7,559	9,946	32,024	4,712	38,836	12,577
	3	85,878	1,552	1,614	33,060	7,525	11,181	35,733	5,475	40,969	12,653
	4	89,742	1,837	1,699	33,247	7,567	10,606	34,063	5,116	40,098	12,758
2008	1	72,097	1,413	1,466	31,963	7,737	9,125	33,361	2,784	36,948	12,699
	2	69,175	969	1,682	34,002	7,881	11,348	33,262	2,685	39,015	13,023
	3	81,492	1,364	1,754	34,813	7,765	12,456	37,744	4,026	42,869	12,705
	4	84,591	1,617	1,551	34,513	7,958	10,806	33,678	3,804	42,783	13,231
2009	1	70,991	1,405	1,291	33,461	7,929	11,359	33,214	7,195	45,307	13,410
	2	66,277	1,124	1,605	33,693	8,072	12,593	32,961	3,987	40,550	13,732
	3	78,761	1,372	1,645	34,380	7,440	12,585	39,056	4,091	51,403	13,984
	4	83,403	1,663	1,622	35,525	6,957	12,734	38,229	3,721	34,734	14,250
2010	1	75,213	1,454	1,558	35,670	7,688	11,495	34,338	7,102	48,897	14,178
	2	68,418	1,198	1,688	35,477	8,493	13,129	34,314	3,977	42,826	14,739
	3	85,645	1,401	1,743	36,359	8,692	13,297	40,956	4,511	52,985	15,434
	4	89,310	1,661	1,774	35,757	8,463	13,565	45,334	4,205	37,473	16,028
2011	1	75,314	1,492	1,700	37,107	8,057	12,300	37,327	7,543	51,242	15,970
	2	71,318	1,243	1,814	36,352	8,217	13,796	36,277	4,092	44,267	15,936
	3	85,840	1,469	1,857	37,209	7,724	13,777	44,212	4,604	55,064	16,612
	4	90,993	1,688	1,874	37,320	8,467	13,840	48,390	4,551	39,809	16,578
2012	1	77,016	1,528	1,799	38,526	8,928	12,687	39,227	7,716	54,361	16,543
	2	72,464	1,362	1,837	37,436	9,289	13,993	38,293	4,169	46,283	16,948

Table 1 Gross domestic product by activity

Year	Quarter	Real estate, renting, business services	Public administration	Education	Other services	FISIM	All industries at basic prices	All industries excl. agriculture	Taxes on products	GDP at market prices	GDP seasonally adjusted
2005		65,882	46,722	72,999	77,017	-11,261	1,030,106	730,308	145,143	1,175,248	
2006		68,447	45,974	73,188	79,980	-11,835	1,088,103	775,177	161,367	1,249,470	
2007		70,860	45,031	76,257	82,575	-12,174	1,155,991	835,568	180,855	1,336,846	
2008		73,503	45,317	80,771	85,120	-10,484	1,168,382	861,027	188,882	1,357,263	
2010		75,674	46,031	82,952	87,850	-11,945	1,198,270	898,839	196,117	1,394,387	
2011		78,089	47,085	86,651	89,772	-11,260	1,266,782	948,195	207,981	1,474,763	
2005	1	16,059	11,693	18,232	19,034	-2,773	246,958	177,262	34,377	281,335	284,532
	2	16,695	11,658	18,247	19,165	-2,785	241,346	177,137	36,511	277,857	292,229
	3	16,639	11,680	18,257	19,320	-2,821	267,024	186,297	36,028	303,053	295,700
	4	16,489	11,691	18,263	19,498	-2,881	274,777	189,612	38,227	313,004	301,947
2006	1	16,888	11,682	18,290	19,729	-2,894	260,101	190,474	38,052	298,153	302,835
	2	16,889	11,605	18,232	19,915	-2,961	256,745	189,201	38,365	295,111	309,748
	3	16,744	11,455	18,270	20,088	-2,956	284,956	198,974	42,912	327,868	318,176
	4	17,925	11,232	18,396	20,247	-3,024	286,301	196,528	42,038	328,338	318,310
2007	1	17,092	11,266	19,187	20,421	-3,094	276,026	200,132	43,263	319,289	324,772
	2	17,783	11,447	18,984	20,569	-3,118	275,578	206,669	44,118	319,696	334,998
	3	18,296	11,321	18,963	20,718	-3,041	301,898	216,020	46,774	348,672	336,865
	4	17,689	10,996	19,123	20,867	-2,920	302,489	212,747	46,700	349,189	340,579
2008	1	17,439	11,161	20,133	21,039	-2,685	276,680	204,583	46,077	322,757	327,758
	2	19,960	11,420	20,211	21,193	-2,627	283,197	214,023	43,402	326,599	342,085
	3	19,436	11,385	20,232	21,357	-2,503	306,895	225,403	50,754	357,649	344,580
	4	16,668	11,352	20,195	21,532	-2,669	301,609	217,019	48,649	350,258	343,424
2009	1	18,875	11,281	20,873	21,757	-2,853	295,493	224,503	47,924	343,418	347,439
	2	22,318	11,494	20,646	21,916	-3,004	287,963	221,686	45,339	333,301	349,579
	3	18,178	11,585	20,627	22,042	-3,059	314,088	235,327	50,346	364,434	350,569
	4	16,304	11,671	20,807	22,134	-3,029	300,725	217,322	52,508	353,234	347,576
2010	1	19,601	11,465	21,825	22,193	-2,811	309,864	234,651	50,125	359,989	362,744
	2	22,529	11,745	21,628	22,317	-2,773	299,704	231,286	49,718	349,422	367,210
	3	18,898	11,882	21,564	22,505	-2,804	333,069	247,424	53,137	386,207	371,403
	4	17,062	11,994	21,634	22,757	-2,872	324,144	234,834	55,001	379,145	373,622
2011	1	20,695	11,784	22,626	23,073	-2,879	323,351	248,038	55,045	378,396	380,117
	2	22,942	12,060	22,680	23,311	-2,886	311,418	240,100	50,344	361,762	381,046
	3	19,733	12,176	22,745	23,469	-3,040	343,453	257,613	58,193	401,646	386,108
	4	17,517	12,250	22,822	23,548	-3,037	336,609	245,616	60,892	397,501	391,950
2012	1	21,236	12,077	23,489	23,743	-3,017	335,859	258,843	55,584	391,443	392,482
	2	23,457	12,319	23,489	23,973	-3,095	322,216	249,752	51,560	373,775	394,296

Table 2 Gross domestic product by activity

Percentage changes at constant prices 2001											
Year	Quarter	Agriculture and forestry	Fishing	Mining and quarrying	Manufacturing	Electricity and water	Construction	Wholesale and retail trade	Hotels and restaurants	Transport and communication	Financial intermediation
2005		6.9	9.6	2.7	4.7	-0.5	7.5	5.6	13.3	9.0	6.9
2006		4.4	8.7	4.1	6.3	-1.7	6.3	11.6	14.9	11.4	4.4
2007		2.4	-1.1	12.9	6.3	9.1	7.3	11.3	16.3	15.1	2.4
2008		-4.1	-13.2	2.9	3.5	5.3	8.2	4.8	-36.1	3.0	-4.1
2009		-2.6	3.8	-4.5	1.3	-3.0	12.7	3.9	42.8	6.4	-2.6
2010		6.4	2.7	9.7	4.5	9.7	4.5	8.0	4.2	5.9	6.4
2011		1.5	3.1	7.1	3.3	-2.6	4.3	7.3	5.0	4.5	1.5
2005	1	-0.8	20.7	2.9	2.3	-3.7	6.4	-5.6	45.3	3.2	4.7
	2	8.8	-11.1	-3.6	7.5	-2.6	-0.1	11.3	12.6	10.0	5.7
	3	12.0	13.0	4.4	5.7	5.3	7.3	11.1	3.7	11.1	5.8
	4	7.6	13.5	7.4	3.4	-0.4	17.3	6.3	-6.3	11.4	6.1
2006	1	-0.1	3.5	0.2	6.9	-2.6	9.2	13.4	1.8	18.7	4.6
	2	5.2	5.2	3.3	4.6	-1.7	5.7	13.8	11.5	18.2	5.6
	3	6.5	6.0	0.6	8.7	-2.3	1.5	18.9	24.7	9.1	4.1
	4	5.4	18.2	12.4	5.0	-0.1	9.5	1.2	25.9	1.7	4.7
2007	1	9.0	-1.7	8.2	5.7	5.4	-4.1	9.9	5.8	8.7	6.6
	2	2.0	3.8	18.2	7.9	11.8	10.6	11.7	39.3	16.7	6.8
	3	-0.1	2.4	12.0	6.6	10.6	14.7	9.2	14.0	15.3	7.4
	4	0.0	-6.1	13.3	5.0	8.6	7.5	14.5	13.6	19.7	5.9
2008	1	-5.0	-13.8	5.3	0.7	8.7	5.2	11.4	-49.5	0.0	3.1
	2	0.4	-15.8	7.3	4.2	4.3	14.1	3.9	-43.0	0.5	3.5
	3	-5.1	-12.1	8.7	5.3	3.2	11.4	5.6	-26.5	4.6	0.4
	4	-5.7	-12.0	-8.7	3.8	5.2	1.9	-1.1	-25.7	6.7	3.7
2009	1	-1.5	-0.6	-11.9	4.7	2.5	24.5	-0.4	158.5	22.6	5.6
	2	-4.2	15.9	-4.6	-0.9	2.4	11.0	-0.9	48.5	3.9	5.4
	3	-3.4	0.6	-6.2	-1.2	-4.2	1.0	3.5	1.6	19.9	10.1
	4	-1.4	2.9	4.6	2.9	-12.6	17.8	13.5	-2.2	-18.8	7.7
2010	1	5.9	3.4	20.7	6.6	-3.0	1.2	3.4	-1.3	7.9	5.7
	2	3.2	6.6	5.2	5.3	5.2	4.3	4.1	-0.2	5.6	7.3
	3	8.7	2.1	5.9	5.8	16.8	5.7	4.9	10.3	3.1	10.4
	4	7.1	-0.2	9.4	0.7	21.6	6.5	18.6	13.0	7.9	12.5
2011	1	0.1	2.6	9.1	4.0	4.8	7.0	8.7	6.2	4.8	12.6
	2	4.2	3.7	7.5	2.5	-3.2	5.1	5.7	2.9	3.4	8.1
	3	0.2	4.9	6.6	2.3	-11.1	3.6	7.9	2.1	3.9	7.6
	4	1.9	1.6	5.6	4.4	0.0	2.0	6.7	8.2	6.2	3.4
2012	1	2.3	2.4	5.8	3.8	10.8	3.2	5.1	2.3	6.1	3.6
	2	1.6	9.6	1.3	3.0	13.0	1.4	5.6	1.9	4.6	6.4

Table 2 Gross domestic product by activity
Percentage changes at constant prices 2001

Year	Quarter	Real estate, renting, business services	Public administration	Education	Other services	FISIM	All industries at basic prices	All industries excl. agriculture	Taxes on products	GDP at market prices	GDP, seasonally adjusted
2005		3.4	-1.3	0.7	3.0	4.3	5.2	4.6	11.0	5.9	
2006		3.9	-1.6	0.3	3.8	5.1	5.6	6.1	11.2	6.3	
2007		3.5	-2.1	4.2	3.2	2.9	6.2	7.8	12.1	7.0	
2008		3.7	0.6	5.9	3.1	-13.9	1.1	3.0	4.4	1.5	
2009		3.0	1.6	2.7	3.2	13.9	2.6	4.4	3.8	2.7	
2010		3.2	2.3	4.5	2.2	-5.7	5.7	5.5	6.0	5.8	
2011		3.6	2.5	4.9	4.0	5.2	3.8	4.6	7.9	4.4	
2005	1	2.3	-1.0	0.6	3.2	5.0	1.2	2.0	8.0	2.0	0.0
	2	1.8	-1.5	1.0	2.9	4.1	6.0	5.0	17.4	7.3	2.7
	3	6.9	-1.4	0.9	2.8	3.5	8.0	6.3	11.5	8.4	1.2
	4	2.6	-1.3	0.3	3.1	4.4	5.7	4.9	7.6	5.9	2.2
2006	1	5.2	-0.1	0.3	3.7	4.3	5.3	7.5	10.7	6.0	0.2
	2	1.2	-0.5	-0.1	3.9	6.3	6.4	6.8	5.1	6.2	2.3
	3	0.6	-1.9	0.1	4.0	4.8	6.7	6.8	19.1	8.2	2.7
	4	8.7	-3.9	0.7	3.8	5.0	4.2	3.6	10.0	4.9	0.2
2007	1	1.2	-3.6	4.9	3.5	6.9	6.1	5.1	13.7	7.1	1.9
	2	5.3	-1.4	4.1	3.3	5.3	7.3	9.2	15.0	8.3	3.1
	3	9.3	-1.2	3.8	3.1	2.9	5.9	8.6	9.0	6.3	0.6
	4	-1.3	-2.1	4.0	3.1	-3.4	5.7	8.3	11.1	6.4	1.3
2008	1	2.0	-0.9	4.9	3.0	-13.2	0.2	2.2	6.5	1.1	-3.9
	2	12.2	-0.2	6.5	3.0	-15.8	2.8	3.6	-1.6	2.2	4.3
	3	6.2	0.6	6.7	3.1	-17.7	1.7	4.3	8.5	2.6	0.8
	4	-5.8	3.2	5.6	3.2	-8.6	-0.3	2.0	4.2	0.3	-0.1
2009	1	8.2	1.1	3.7	3.4	6.3	6.8	9.7	4.0	6.4	1.0
	2	11.8	0.6	2.2	3.4	14.3	1.7	3.6	4.5	2.1	0.4
	3	-6.5	1.8	2.0	3.2	22.2	2.3	4.4	-0.8	1.9	0.4
	4	-2.2	2.8	3.0	2.8	13.5	-0.3	0.1	7.9	0.8	-0.6
2010	1	3.8	1.6	4.6	2.0	-1.5	4.9	4.5	4.6	4.8	4.2
	2	0.9	2.2	4.8	1.8	-7.7	4.1	4.3	9.7	4.8	0.9
	3	4.0	2.6	4.5	2.1	-8.3	6.0	5.1	5.5	6.0	1.4
	4	4.6	2.8	4.0	2.8	-5.2	7.8	8.1	4.7	7.3	0.9
2011	1	5.6	2.8	3.7	4.0	2.4	4.4	5.7	9.8	5.1	1.7
	2	1.8	2.7	4.9	4.5	4.1	3.9	3.8	1.3	3.5	0.2
	3	4.4	2.5	5.5	4.3	8.4	3.1	4.1	9.5	4.0	1.3
	4	2.7	2.1	5.5	3.5	5.8	3.8	4.6	10.7	4.8	1.5
2012	1	2.6	2.5	3.8	2.9	4.8	3.9	4.4	1.0	3.4	0.1
	2	2.2	2.1	3.6	2.8	7.2	3.5	4.0	2.4	3.3	0.5

Table 3: Balance of Payments Estimates

In millions of KSh

ITEM	2009				2010				2011				2012	
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun
1. CURRENT ACCOUNT	(28,647.16)	(35,436.28)	(36,009.34)	(20,418.51)	(29,794.26)	(43,838.39)	(44,612.27)	(60,926.28)	(76,440.18)	(97,930.34)	(133,512.19)	(117,917.78)	(81,118.87)	(63,302.13)
1.1. GOODS	(100,531.13)	(107,116.84)	(104,216.31)	(131,288.83)	(107,767.24)	(134,081.88)	(140,671.27)	(155,072.75)	(167,687.81)	(184,118.55)	(225,528.82)	(227,259.75)	(197,562.35)	(219,911.31)
Exports (fob)	87,505.97	80,292.77	88,651.40	88,493.49	98,694.20	97,550.43	101,551.37	111,992.53	118,113.41	124,006.09	137,193.53	131,717.16	130,779.53	123,658.32
Re-exports	5,174.77	3,689.66	7,803.47	4,710.53	6,040.06	5,763.95	5,701.01	6,623.05	6,423.60	6,261.21	8,751.70	6,657.36	7,153.91	9,522.84
Domestic exports	82,331.20	76,603.11	80,847.93	83,782.96	92,654.14	91,786.48	95,850.36	105,369.48	111,689.81	117,744.88	128,441.83	125,059.80	123,625.62	114,135.48
Imports (cif)	188,037.11	187,409.61	192,867.71	219,782.32	206,461.45	231,632.31	242,222.64	267,065.28	285,801.22	308,124.64	362,722.35	358,976.91	328,341.88	343,569.63
Government	1,954.51	2,411.29	1,868.24	1,504.18	2,721.46	1,702.77	4,289.31	37,396.94	2,721.46	3,265.75	3,265.75	3,265.75	3,265.75	3,784.75
Commercial	186,082.60	184,998.32	190,999.47	218,278.14	203,739.99	229,929.55	237,933.33	229,668.34	283,079.76	304,858.89	359,456.60	355,711.16	325,076.13	339,784.88
1.2. SERVICES	31,730.73	29,441.26	29,561.73	59,621.80	42,663.58	48,563.78	50,317.50	49,830.75	40,270.99	40,527.55	43,967.19	55,986.41	66,956.58	107,232.63
Credit	49,785.78	46,582.65	49,208.73	78,747.80	62,694.20	66,775.91	71,696.18	83,503.62	78,172.42	85,884.03	121,956.19	86,947.91	93,078.22	124,571.51
Debit	(18,055.05)	(17,141.40)	(19,646.99)	(19,126.00)	(20,030.63)	(18,212.13)	(21,378.69)	(33,672.87)	(37,901.42)	(45,356.49)	(77,989.00)	(30,961.50)	(26,121.64)	(17,338.88)
<i>of which</i>														
Travel account	11,913.93	6,062.11	7,558.71	8,607.10	6,474.80	12,037.51	11,323.36	10,560.85	13,707.65	15,646.77	16,572.06	20,961.92	12,213.05	13,171.84
Credit	16,841.35	9,640.69	12,181.89	13,013.86	11,809.62	15,467.46	14,168.77	15,738.04	18,039.29	17,653.77	21,841.67	24,695.27	15,129.40	16,595.25
Debit	(4,927.41)	(3,578.58)	(4,623.18)	(4,406.76)	(5,334.82)	(3,429.96)	(2,845.41)	(5,177.19)	(4,331.64)	(2,007.00)	(5,269.61)	(3,733.35)	(2,916.35)	(3,423.41)
1.3. Income account	(931.05)	(1,046.43)	(2,540.80)	(466.58)	1,570.83	1,786.02	6,405.43	(657.63)	6,475.02	(724.08)	(2,170.75)	1,622.99	(1,941.08)	(3,583.13)
Credit	3,041.89	3,648.51	2,103.96	4,675.56	4,441.07	5,131.09	9,155.77	1,785.65	8,843.47	1,486.72	4,525.53	7,164.70	2,615.87	2,188.02
Debit	(3,972.95)	(4,694.94)	(4,644.76)	(5,142.14)	(2,870.24)	(3,345.08)	(2,750.33)	(2,443.28)	(2,368.45)	(2,210.80)	(6,696.28)	(5,541.70)	(4,556.94)	(5,771.15)
1.4. Current Transfers account	41,084.30	43,285.73	41,186.04	51,715.10	33,738.58	39,893.70	39,336.07	44,973.35	44,501.62	46,384.74	50,220.19	51,732.58	51,427.98	52,959.68
Diaspora remittances	11,797.84	11,268.31	12,173.37	11,841.52	11,002.70	8,305.85	13,045.43	9,830.62	16,157.32	18,093.20	22,064.14	23,202.09	25,251.98	24,908.69
2. CAPITAL & FINANCIAL ACCOUNT	21,026.87	(5,696.35)	10,947.14	53,451.00	4,747.79	40,255.78	23,204.54	63,415.53	57,821.93	87,141.38	107,095.61	30,990.33	65,665.89	56,766.11
2.1 Capital Account (capital transfers)	8,044.00	4,856.00	3,469.00	6,163.00	1,439.00	2,654.00	1,179.00	4,757.51	4,892.38	3,009.03	2,760.00	4,327.93	3,928.43	4,326.05
2.2 Financial Account net	12,982.87	(10,552.35)	7,478.14	47,288.00	3,308.79	37,601.78	22,025.54	58,658.02	52,929.55	84,132.35	104,335.61	26,662.40	61,737.47	52,440.06
2.2.1 Investments net	1,801.42	29,682.37	44,724.23	57,666.06	(4,641.44)	41,730.59	42,879.35	55,420.29	64,132.56	84,518.17	89,820.83	51,168.59	98,755.04	102,493.32
2.2.2 Change in official Reserves	11,181.46	(40,234.71)	(37,246.08)	(10,378.06)	7,950.24	(4,128.81)	(20,853.81)	3,237.74	(11,203.01)	(385.82)	14,514.78	(24,506.19)	(37,017.57)	(50,053.26)
3. NET ERRORS AND OMISSIONS	7,620.29	41,132.63	25,062.20	(33,032.49)	25,046.46	3,582.61	21,407.73	(2,489.25)	18,618.25	10,788.96	26,416.58	86,927.44	15,452.98	6,536.02
<i>Average exchange rate against US \$</i>	79.58	78.45	76.24	75.14	76.49	78.94	80.93	80.58	82.24	86.12	93.01	93.80	84.14	84.12

Table 4: Balance of Merchandise Trade

KSh Million

Year	Period	Domestic Exports	Re-Exports	Total Exports	Imports	Balance of Trade	Volume of Trade
2006	Q1	52,772.47	6,628.32	59,400.79	113,489.65	(54,088.86)	172,890.43
	Q2	53,686.91	7,404.03	61,090.95	132,019.40	(70,928.45)	193,110.35
	Q3	62,286.78	5,766.38	68,053.16	133,920.39	(65,867.23)	201,973.55
	Q4	59,409.02	3,014.18	62,423.20	142,053.37	(79,630.17)	204,476.57
2007	Q1	64,586.99	4,030.73	68,617.72	151,038.60	(82,420.88)	219,656.32
	Q2	65,743.87	2,581.37	68,325.24	145,289.17	(76,963.93)	213,614.42
	Q3	65,863.27	2,966.68	68,829.95	154,102.96	(85,273.01)	222,932.91
	Q4	65,425.62	3,397.60	68,823.22	154,534.23	(85,711.01)	223,357.44
2008	Q1	78,312.03	4,873.21	83,185.24	175,601.15	(92,415.92)	258,786.39
	Q2	77,142.19	5,056.41	82,198.60	165,279.58	(83,080.98)	247,478.18
	Q3	82,760.69	5,806.29	88,566.99	217,989.58	(129,422.59)	306,556.56
	Q4	84,426.54	6,546.91	90,973.45	211,780.87	(120,807.42)	302,754.32
2009	Q1	82,331.20	5,174.77	87,505.97	188,037.11	(100,531.13)	275,543.08
	Q2	76,603.11	3,689.66	80,292.77	187,409.61	(107,116.84)	267,702.38
	Q3	80,847.93	7,803.47	88,651.40	192,867.71	(104,216.31)	281,519.11
	Q4	83,782.96	4,710.53	88,493.49	219,782.32	(131,288.82)	308,275.81
2010	Q1	92,654.14	6,040.06	98,694.20	206,461.45	(107,767.24)	305,155.65
	Q2	91,786.48	5,763.95	97,550.43	231,632.31	(134,081.88)	329,182.74
	Q3	95,850.36	5,701.01	101,551.37	242,222.64	(140,671.27)	343,764.41
	Q4	105,369.48	6,623.01	111,992.49	267,065.28	(155,072.79)	379,057.77
2011	Q1	111,695.37	6,423.60	118,118.97	285,847.39	(167,728.41)	403,966.36
	Q2	117,744.88	6,261.21	124,006.09	308,124.64	(184,118.55)	432,130.73
	Q3	128,441.83	8,751.70	137,193.53	362,722.35	(225,528.82)	499,915.87
	Q4	125,059.80	6,657.36	131,717.16	358,976.91	(227,259.75)	490,694.06
2012	Q1	123,625.62	7,153.91	130,779.53	328,341.88	(197,562.35)	459,121.41
	Q2	114,135.48	9,522.84	123,658.32	343,569.63	(219,911.31)	467,227.95