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KENYA NATIONAL BUREAU OF STATISTICS
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Statistical Release

Gross Domestic Product
Third Quarter 2012

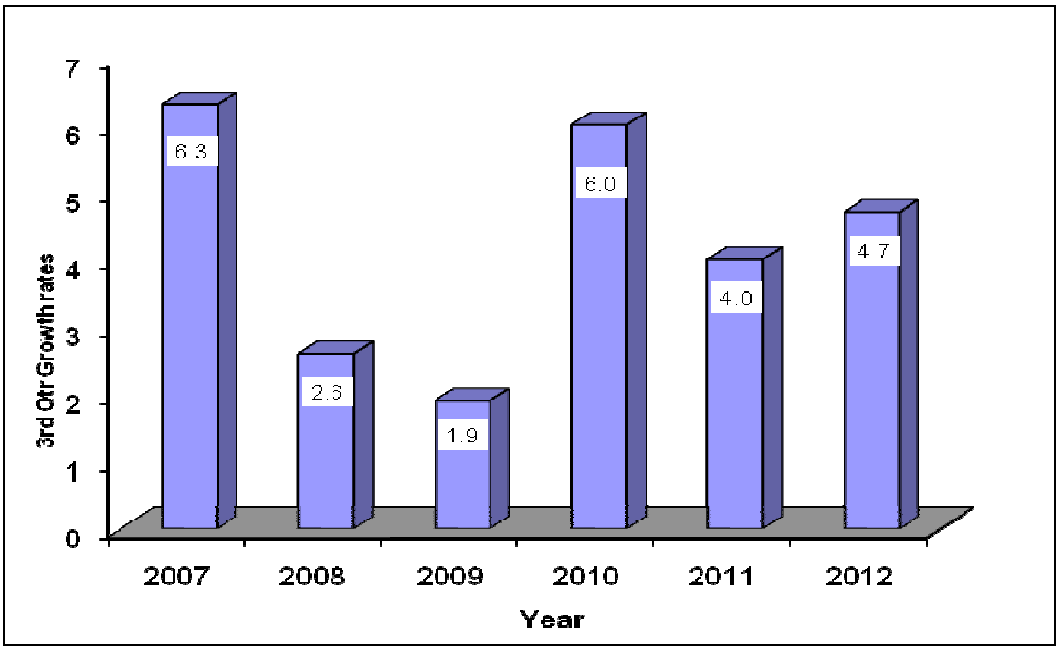
1.0 Economic performance

Kenya's economy expanded by 4.7 per cent in the third quarter of 2012 compared 4.0 per cent growth recorded in the same quarter of 2011 (*see Figure 1 and Tables 1 and 2 for details*). The expansion was more robust in comparison to the preceding quarters of 2012 primarily due to strong performances of the Agriculture and forestry, Fishing, Manufacturing, Transport and communication and a turnaround in the performance of the Electricity industry. On the other hand, Construction, Hotels and restaurants, and Mining and quarrying experienced decelerated growths over the same period. Wholesale and retail trade registered a strong growth despite being a deceleration compared to the corresponding quarter of 2011. Seasonally adjusted Gross Domestic Product, which compares consecutive quarters, expanded by 2.2 per cent in the third quarter of 2012, which was significantly better than the 0.5 per cent recorded in the second quarter of 2012.

The period under review was characterized by low inflation rate, high interest rates and stable exchange rate of the shilling against major world and regional currencies. Inflation averaged at 6.4 per cent during the review period from a high 16.5 per cent experienced during the third quarter of 2011. The ease in the inflationary pressures was mainly on account of lower food and fuel prices. During the review period the exchange rate averaged at KSh 84.60, KSh 106.3 and KSh 108.37 against the US Dollar, Euro and 100 Japanese Yen, respectively. Regionally, the Kenya Shilling exchanged at Tanzania Shilling 18.63 and Uganda Shilling 29.62 while the South African Rand averaged at KSh 10.2. During the third quarter of 2011, the exchanges rates were KSh 94.6, KSh 133.5 and KSh122.9 against the US Dollar, Euro and 100 Japanese Yen, respectively.

High interest rates that prevailed during the quarter under review were on account of the Central Bank's sustenance of a tight monetary policy stance. Expansion in broad money supply slowed to 13.6 per cent during the review period compared to a growth of 18.0 per cent during a similar period of 2011. Weighted interest rates on commercial banks loans and advances rose significantly from an average of 14.41 per cent during the third quarter of 2011 to 20.0 per cent in corresponding period of 2012.

Figure 1: Third quarter growth rates



2.0 Sectoral analysis

2.1 Agriculture and Forestry

Agriculture sector started the year with poor prospects after a number of parts of the country suffered severe frost during the first quarter which negatively impacted on production of tea and other vulnerable crops, while the delay in the onset of long rains led to suppressed agricultural activities. Consequently, the sector only managed a moderate growth of around 2.0 per cent during the first half of 2012. During the third quarter of 2012, however, the sector's performance improved substantially to 6.9 per cent compared to a paltry growth of 0.2 in the same quarter of 2011.

The remarkable growth was largely supported by improved and well spread rains during the second and third quarters of the year. Negative effect of the maize disease, mainly experienced in parts of the South Rift, were more than offset by the good rains in most parts of the country. Consequently, production of key crops including maize, beans, sugar cane and fruits increased significantly. However, production of cut flowers and vegetables declined during the review period. Over the same period, milk intake to the formal milk sector also declined.

2.2 Manufacturing

During the third quarter of 2012, the sector is estimated to have expanded by 4.8 per cent compared to a growth 2.3 per cent during the same quarter of 2011. The growth in the sector was largely supported by strong expansion in the manufacture of foods mainly buoyed by a rebound in processing of sugar which expanded by 48.7 per cent during the third quarter of 2012 compared to a contraction of 38.2 per cent in a similar quarter of 2011. Other food products whose processing increased significantly include beer, wheat flour and maize meal which grew by 17.1, 16.3 and 9.3 per cent, respectively. However, soft drinks and dairy products declined considerably by 10.9 and 10.4 per cent, respectively. Manufacture of motor vehicle tyres, laundry and toilet soaps recorded the highest growths in the non-food category over the same period.

2.3 Electricity and Water

Electricity and water supply recorded 13.7 per cent growth in the third quarter of 2012 compared to a contraction of 11.1 per cent over a similar period in 2011. The turnaround was primarily due to high level of rainfall experienced in the water catchment regions for electricity generation. Hydro electricity generation expanded dramatically by 39.0 per cent during the third quarter 2012 compared to the corresponding quarter of 2011. However, generation of power through geo-thermal and thermal declined by 2.3 and 25.2 per cent, respectively. Consequently, contribution to the Gross Domestic Product of the resulting production mix of electricity was much higher due to reduced thermal generation which requires more expensive intermediate inputs compared to hydro power generation. Electricity production increased to 511.3 million KWh during quarter under review compared to 489.9 million KWh in the same period of 2011.

2.4 Construction

The construction industry is estimated to have expanded by 0.6 per cent during the third quarter of 2012 compared to a growth of 3.6 per cent in a similar period of 2011. The considerable slowdown in the activities of this sector was mirrored in the production and consumption of cement whose growths slowed to 0.6 per cent and 1.5 per cent during the third quarter compared to expansions of 8.9 and 7.7 per cent, respectively over a similar period in 2011. The slowdown in the activities of the construction sector is attributable to the prevailing high interest rates.

2.5 Hotels and Restaurants

The sector's growth slowed to 1.1 per cent during the third quarter of 2012 from 2.1 per cent in the same quarter of 2011. This slowdown was primarily on account of terrorism threats posed by the political instability in Somalia and a decline in the economic fortunes of major tourist sources like the USA and European countries. As a consequence, tourist arrivals through Jomo Kenyatta and Moi international airports declined from 383,110 visitors in the third quarter of 2011 to 342,135 visitors during the third quarter of 2012.

2.6 Transport and communication

The sector is estimated to have grown by 5.2 per cent during the third quarter 2012 compared to a growth of 3.9 per cent in the same period of 2011. The growth was mainly supported by strong expansion in the communication sub-sector which accounted for 54.5 per cent of the total growth in the industry. The sub-sector expanded by 5.9 per cent during the reference period, while land transport and storage activities grew by 4.5 per cent in the same period.

Consumption of light diesel and jet fuel, which reflect the activities of commercial transport, recorded mixed performances. Consumption of light diesel increased by 5.0 per cent in the third quarter of 2012 compared to the same quarter of 2011 while that of jet fuel decreased by 2.1 per cent over the same period. Port activities expanded, as reflected in the increased volume of cargo handled, despite a contraction of 24.1 per cent in exports tonnage during the review period. Import tonnage increased by 11.4 per cent thereby offsetting the impact of the decline in export tonnage to result in a growth of 6.1 per cent of volume of cargo handled at the port during the third quarter of 2012 compared to the same quarter of 2011.

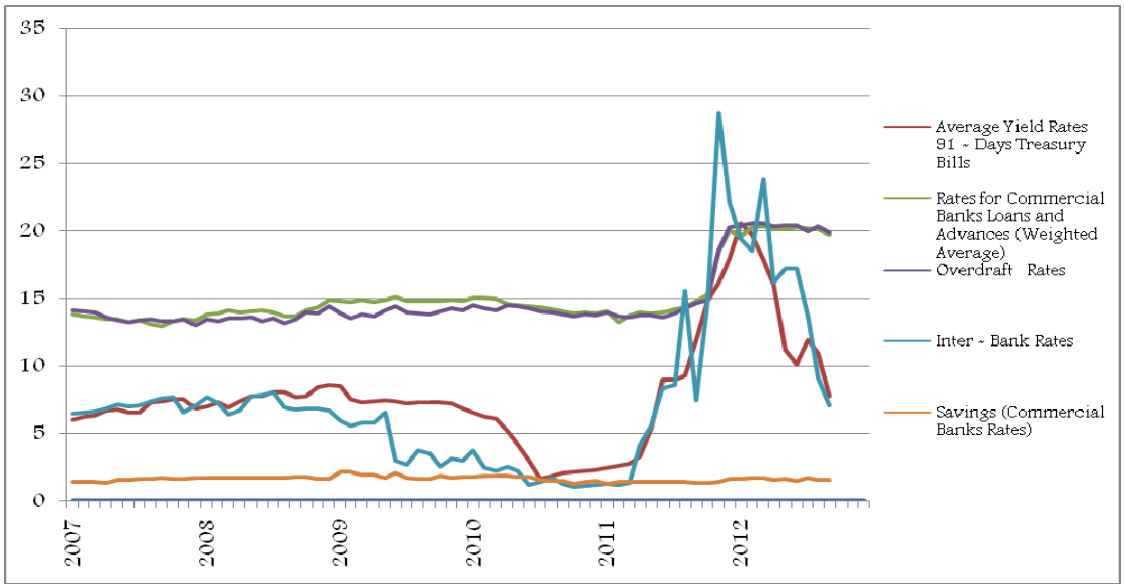
2.7 Financial Intermediation

The sector overcame the bottlenecks of high interest rates to attain one of the most impressive growths during third quarter of 2012. The financial intermediation sector grew by 6.8 per cent during the reference period which was slightly lower than the 7.6 per cent the sector reached in the third quarter of 2011.

Figure 2 depicts the trends of the principal interest rates from the first quarter of 2007 to the third quarter of 2012. All the interest rates, except the commercial banks saving rates, peaked during the third quarter of 2011. While overdraft rates and the weighted average commercial

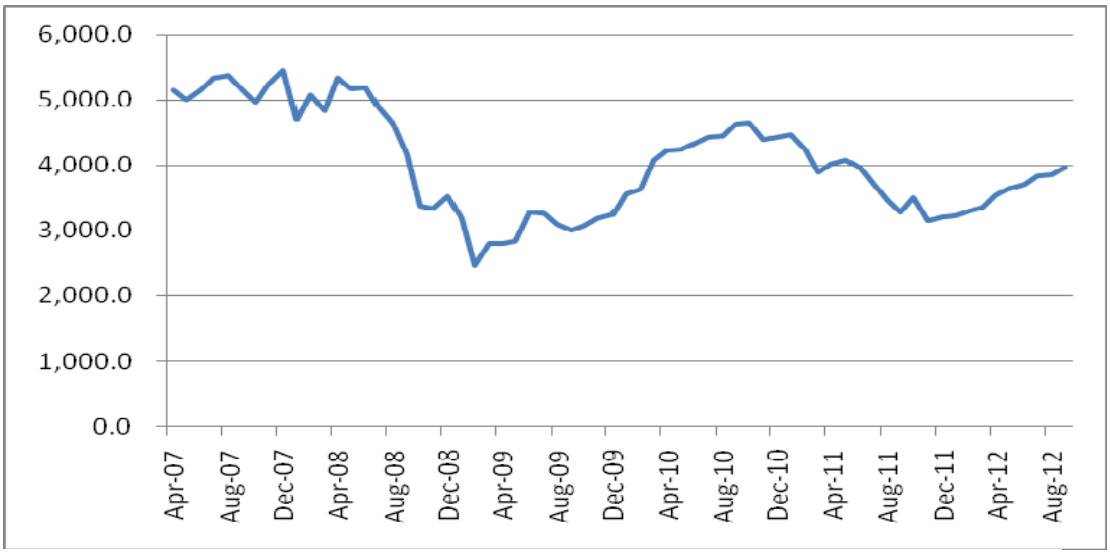
banks loans and advance rates have tremendously gone down the others have remained relatively close the levels of the third quarter of 2011.

Figure 2: Trends in principal interest rates



The net foreign assets of the banking system increased from a revised figure of KSh 331.7 billion in June 2012 to KSh 352.0 billion in September 2012 while domestic credit increased by 4.5 per cent from KSh 1,550.5 billion in June 2012 to KSh 1,660.1 billion in September 2012. Consequently, extended broad money supply M3 increased from KSh 1,970.5 billion to KSh 2,060.6 billon over the same period. Stock market performance rallied strongly in September 2012, with gains in the Nairobi Stock Exchange 20 Share and Nairobi All Stock Index. The NSE 20 share index rose from 3,704 points in June to 3,972 points in September 2012. Trends in the NSE 20 share index up to the third quarter of 2012 are shown in Figure 3.

Figure 3: NSE 20 share Index



3.0 Balance of Payments

Summary of external sector statistics developments during the third quarter of 2012 are presented in Tables 3 and 4. Merchandise trade balance narrowed by 3.2 per cent to a trade deficit of KSh 218,277 million in the third quarter of 2012 from a deficit of KSh 225,529 million in the third quarter of 2011. This was due to slackening of the value of both total exports and imports compared to a similar period in 2011. The Kenya Shilling exchange rate to the US Dollar has remained fairly stable since January 2012 averaging at KSh 84. The sluggish performance of exports may be attributed to decline of horticulture exports. Imports bill amounted to KSh 346,889 million in the third quarter of 2012 while exports earnings were valued at KSh 128,612 million.

The current account deficit narrowed by 21.0 per cent to a deficit KSh 105,432 million in the third quarter of 2012 from a deficit of KSh 133,512 million recorded in similar period in 2011. However, the deficit widened compared to the second quarter of 2012 when it stood at KSh 63,302 million. The trade in goods deficit was due to high imports bill compared to total exports earnings. The expanded deficit in the income deficit was due to a rise in foreign earnings on investment in the Kenya, particularly earnings on long term loans. The income deficit widened to KSh 4, 365 million in third quarter of 2012, up from a deficit of KSh 2,171 million in similar quarter in 2011.

Services account increased from a surplus of KSh 43,967 million in the third quarter of 2011 to record a surplus of KSh 64,972 million in the third quarter of 2012. Current transfers inflows increased to KSh 52,237 million in the third quarter of 2012 compared to KSh 50,220 million recorded in similar period in 2011. Diaspora remittances as measured by the Central Bank of Kenya recorded an increase of 6.6 per cent to KSh 23,519 million in the third quarter of 2012.

The financial account covers transactions which result in a change of ownership of financial assets and liabilities between Kenya residents and non-residents. The capital and financial account net inflows account amounted to a surplus of KSh 87,339 million in the third quarter of 2012 compared to surplus of KSh 107,096 million in corresponding period in 2011. Inward capital flows mainly occurred in the form long term loans and short term capital inflows. Gross official reserves increased from KSh 544,035 million in the third quarter of

2011 to KSh 615,229 million in the third quarter of 2012 indicating improved balance of payments position.

Table 1 Gross domestic product by activity

Constant 2001 prices –KSh million

Year	Quarter	Agriculture and forestry	Fishing	Mining and quarrying	Manufacturing	Electricty 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	1,663	37,107	8,057	12,300	37,327	7,543	51,242	15,970
	2	71,318	1,243	1,866	36,352	8,217	13,796	36,277	4,092	44,267	15,936
	3	85,840	1,469	1,872	37,209	7,724	13,777	44,212	4,604	55,064	16,612
	4	90,993	1,688	1,844	37,320	8,467	13,840	48,390	4,551	39,809	16,578
2012	1	76,789	1,528	1,780	38,526	8,928	12,687	39,227	7,716	54,351	16,543
	2	72,690	1,362	1,920	37,436	8,821	13,993	38,293	4,169	46,457	16,948
	3	91,792	1,609	1,907	38,995	8,784	13,858	46,378	4,656	57,922	17,748

Table 1Gross 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	323,314	248,000	55,045	378,359	380,336
	2	22,942	12,060	22,680	23,311	-2,886	311,471	240,153	50,344	361,815	381,405
	3	19,733	12,176	22,745	23,469	-3,040	343,468	257,628	58,193	401,661	385,486
	4	17,517	12,250	22,822	23,548	-3,037	336,579	245,586	60,892	397,472	391,985
2012	1	21,236	12,077	23,489	23,743	-3,017	335,602	258,813	55,584	391,187	392,569
	2	23,457	12,319	23,489	23,973	-3,095	322,231	249,541	51,547	373,778	394,665
	3	20,478	12,433	23,532	24,190	-3,258	361,025	269,233	59,385	420,410	403,382

Table 2 Gross domestic product by activity

Percentage changes at constant prices 2001

Year	Quarter	Agriculture and forestry	Fishing	Mining and quarrying	Manufacturing	Electricty 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	6.7	4.0	4.8	7.0	8.7	6.2	4.8	12.6
	2	4.2	3.7	10.6	2.5	-3.2	5.1	5.7	2.9	3.4	8.1
	3	0.2	4.9	7.4	2.3	-11.1	3.6	7.9	2.1	3.9	7.6
	4	1.9	1.6	4.0	4.4	0.0	2.0	6.7	8.2	6.2	3.4
2012	1	2.0	2.4	7.0	3.8	10.8	3.2	5.1	2.3	6.1	3.6
	2	1.9	9.6	2.9	3.0	7.4	1.4	5.6	1.9	4.9	6.4
	3	6.9	9.5	1.8	4.8	13.7	0.6	4.9	1.1	5.2	6.8

Table 2 Gross domestic product by activity

Percentage changes at constant prices 2001

Year	Quar-ter	Real estate, renting, business services	Public admi-nistration	Education	Other services	FISIM	All industries at basic prices	All industries excl. agri-culture	Taxes on products	GDP at market prices	GDP, seaso-nally 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	4.3	5.7	9.8	5.1	1.8
	2	1.8	2.7	4.9	4.5	4.1	3.9	3.8	1.3	3.5	0.3
	3	4.4	2.5	5.5	4.3	8.4	3.1	4.1	9.5	4.0	1.1
	4	2.7	2.1	5.5	3.5	5.8	3.8	4.6	10.7	4.8	1.7
2012	1	2.6	2.5	3.8	2.9	4.8	3.8	4.4	1.0	3.4	0.1
	2	2.2	2.1	3.6	2.8	7.2	3.5	3.9	2.4	3.3	0.5
	3	3.8	2.1	3.5	3.1	7.2	5.1	4.5	2.0	4.7	2.2

Table 3: 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
	Q3	120,136.78	8,475.51	128,612.29	346,888.90	(218,276.61)	475,501.19

Table 4: QUARTERLY BALANCE OF PAYMENTS
In millions of KSh

ITEM	2010 Jan-Mar	2010 Apr-Jun	2010 Jul-Sep	2010 Oct-Dec	2011 Jan-Mar	2011 Apr-Jun	2011 Jul-Sep	2011 Oct-Dec	2012 Jan-Mar	2012 Apr-Jun	2012 Jul-Sep
1. CURRENT ACCOUNT	(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)	(105,431.98)
1.1. GOODS	(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)	(218,276.61)
Exports (fob)	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	128,612.29
Re-exports	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	8,475.51
Domestic exports	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	120,136.78
Imports (cif)	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	346,888.90
Government	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	4,730.94
Commercial	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	342,157.96
1.2. SERVICES	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	64,971.71
Credit	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	118,448.89
Debit	(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)	(53,477.18)
of which											
Travel account	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	11,938.56
Credit	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	15,239.99
Debit	(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)	(3,301.44)
1.3. Income account	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)	(4,364.53)
Credit	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	2,279.82
Debit	(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)	(6,644.35)
1.4. Current Transfers account	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	52,237.45
Diaspora remittances	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	23,519.32
2. CAPITAL & FINANCIAL ACCOUNT	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	87,338.97
2.1 Capital Account (capital transfers)	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	6,779.00
2.2 Financial Account net	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	80,559.97
2.2.1 Investments net	(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	96,826.98
2.2.2 Change in official Reserves	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)	(16,267.01)
3. NET ERRORS AND OMISSIONS	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	18,093.01
Memorandum items											
Gross Reserves	400,485.44	409,758.20	414,609.59	413,131.24	452,169.76	470,812.88	544,035.19	513,498.76	511,538.04	595,979.24	615,229.46
Official	289,084.33	310,723.89	327,662.19	322,735.49	343,032.74	371,572.38	397,238.78	360,621.35	388,833.10	444,969.15	466,977.24
Commercial Banks	111,401.11	99,034.30	86,947.39	90,395.75	109,137.02	99,240.49	146,796.41	152,877.41	122,704.94	151,010.09	148,252.22
End period exchange rate against US $	77.20	81.80	80.65	80.65	82.90	89.70	99.65	84.90	82.95	84.23	85.28
Average exchange rate against US $	76.49	78.94	80.93	80.58	82.24	86.12	93.01	93.80	84.14	84.12	84.28