

## **Statistical Release**

# **Gross Domestic Product First Quarter 2011**

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## 1. Economic performance

Kenya's Gross Domestic Product (GDP) expanded by 4.9 per cent in the first quarter of 2011 compared to 4.3 per cent during the same quarter of 2010. This growth can be attributed to accelerated expansion in activities of the transport and communication, financial intermediation and construction industries during the quarter under review. The expansion was also supported by growths in manufacturing, wholesale and retail trade, hotels and restaurants, and electricity and water sectors. The most remarkable improvements were experienced in the hotels and restaurants and electricity and water sectors which made turnarounds after contracting by 2.7 and 2.5 per cent in first quarter of 2010, to growths of 8.3 and 3.5 per cent during the same quarter of 2011 respectively.

The improved economic performance was despite the period being characterized by poor rains and high energy prices which to a certain extent restrained economic growth. Agricultural output, particularly coffee and tea had their production substantially depressed as a result of the poor rains. The quarter also experienced shortage and high prices of fertilizer and seeds for key food crops.

At the start of the quarter inflation was almost contained at the Central Bank's target of 5.0 per cent. However, inflation rose to 9.19 per cent by March 2011 and has since been rising as can be seen from Figure 1.

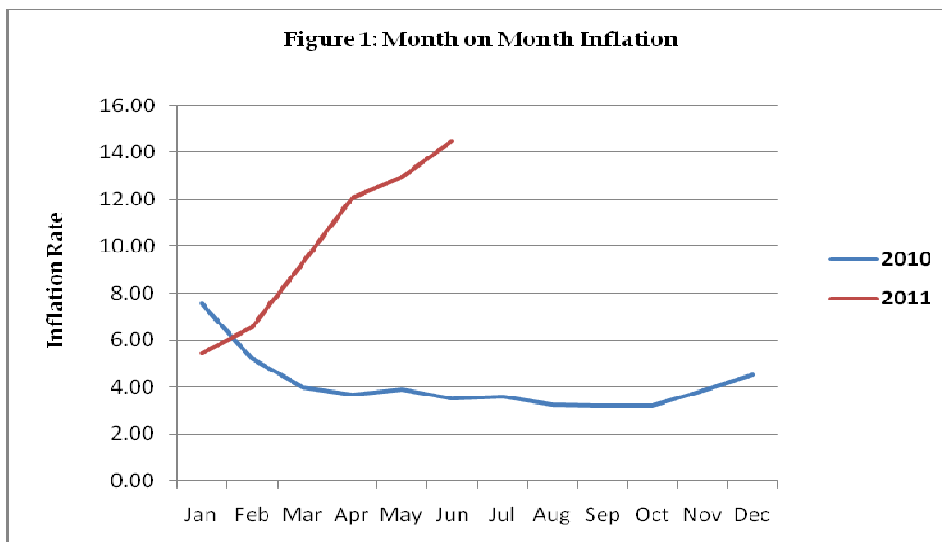
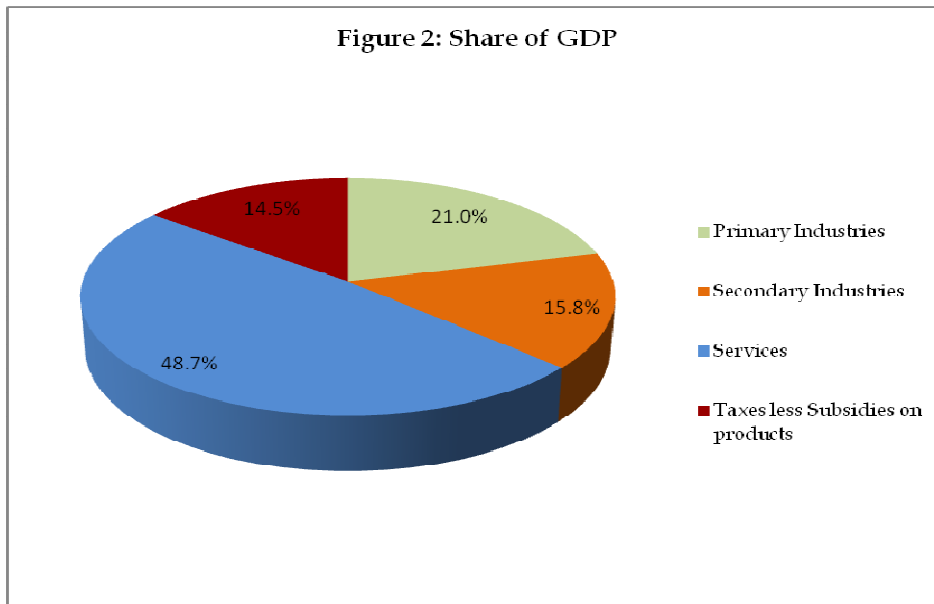


Figure 2 depicts how the broad sectors of the economy contributed to the GDP during the quarter under review. Services contributed almost half (48.7 per cent) of the GDP while primary industries was second with a share 21.0 per cent. Secondary industries and taxes (less subsidies) on products contributed 15.8 and 14.5 per cent, respectively. Primary industries comprise of agriculture, forestry and fishing while secondary industries include manufacturing, mining, quarrying, construction, electricity as well as water sector. The rest of the activities are categorized as services.



## 2. Sectoral analysis

### 2.1 Agricultural Sector

The sector recorded a slowed growth of 2.2 per cent in the first quarter of 2011 compared to a growth of 5.7 per cent over the same quarter in 2010. Subdued rainfall during the quarter led to the deceleration in growth as a result of decreased production of a number of marketed products, notably the volume of tea and coffee. Tea deliveries to marketing boards declined by 23.8 per cent in the first quarter from 111.7 thousand metric tonnes in 2010 to 85.2 thousand metric tonnes in 2011 while deliveries of coffee declined by 28.0 per cent in the first quarter of 2011 to 11.3 thousand metric tonnes.

However, there was an increase in the export of horticultural produce supported by improved external demand which consequently boosted production in the agriculture sector during the quarter. Exports of cut flowers increased to 21,887 metric tonnes in 2011 compared to 18,639 metric tonnes in 2010. Vegetable exports increased by 23.4 per cent to 16,184 metric tonnes in the first quarter of 2011. Over the same period, the quantity of exported fruits grew by 37.9 per cent to 6,499 metric tonnes from 4,712 metric tonnes in the first quarter of 2010.

## **2.2 Financial Intermediation**

The sector recorded a growth of 10.9 per cent in first quarter of 2011 compared to a growth of 5.0 per cent in the same quarter of 2010. Notably, total domestic credit increased by 26.9 per cent during the review period to stand at KSh 3.9 billion compared to an expansion of 3.1 per cent in the same period of 2010. Similarly, total credit extended to the private sector increased by 22.8 per cent during the quarter against an increase of 16.7 per cent in the same quarter of 2010.

## **2.3 Manufacturing**

The value added of the manufacturing sector is estimated to have expanded by 3.2 per cent during the review period which was significantly lower than the 6.0 per cent attained during the same period in 2010. The slower growth was partly a consequence of a slowdown in some economic activities among them processing of coffee, manufacture of motor vehicles tyres, soap, beer, and assembly of motor vehicles during the quarter.

## **2.4 Electricity and Water**

The sector recorded a growth of 3.5 per cent compared to a negative growth of 2.5 per cent recorded in the same quarter of 2010. The turnaround was largely attributed to increased production of hydro electricity whose generation is comparatively cheaper than that of thermal electricity. The increase in generation of hydro electricity was boosted by the good rains experienced in 2010. Generation of thermal electricity declined over the same period.

## **2.5 Hotels and Restaurants**

The sector recorded an impressive performance during the period under review by posting 8.3 per cent growth compared to a contraction of 2.7 per cent over the same period in 2010. The

expansion was realized through increased arrivals of visitors at the Jomo Kenyatta and Moi International Airports.

## **2.6 Transport and Communication**

Transport and communication sector expanded by 6.5 per cent in first quarter of 2011 compared to a growth of 6.0 per cent in the same quarter of 2010. The growth was well spread with road and air transport recording modest growths while telecommunication expanded substantially mainly due to reduced call charges. The growth in the road transport was partly explained by the rise in consumption of light diesel, which increased to 318.4 thousand metric tonnes during this period from 301.5 thousand metric tonnes in first quarter of 2010.

## **2.7 Construction**

Activities of the construction sector expanded substantially mainly supported by increased bank credit for real estate development to the private sector. Consequently, the sector recorded an impressive growth of 10.7 per cent in first quarter of 2011, compared to the dismal performance of 0.3 per cent in 2010. The sector's growth was also supported by the massive road infrastructure projects being undertaken in various parts of the country. The growth in the sector was also mirrored in cement consumption which significantly increased to 779.3 million tonnes during this period from 667.1 million tonnes consumed in the first quarter of 2010, representing a growth of 16.8 per cent.

## **3. External Sector**

### **3.1 Balance of Payments**

The balance of payments developments during the first quarter of 2011 are detailed in Tables 3 and 4. The Kenya Shilling on average depreciated against the US Dollar in the first quarter 2011 to an average of KSh 82.24 compared to an average of KSh 76.49 during the first quarter of 2010. The official foreign exchange reserves stood at KSh 343.0 billion by end March 2011 compared to 289.1 billion by end of March 2010. This was equivalent to about 3.9 months imports cover.

During the first quarter of 2011, the current account deficit worsened to KSh 81.3 billion from a deficit of KSh 29.8 billion in the first quarter 2010. The current account deterioration

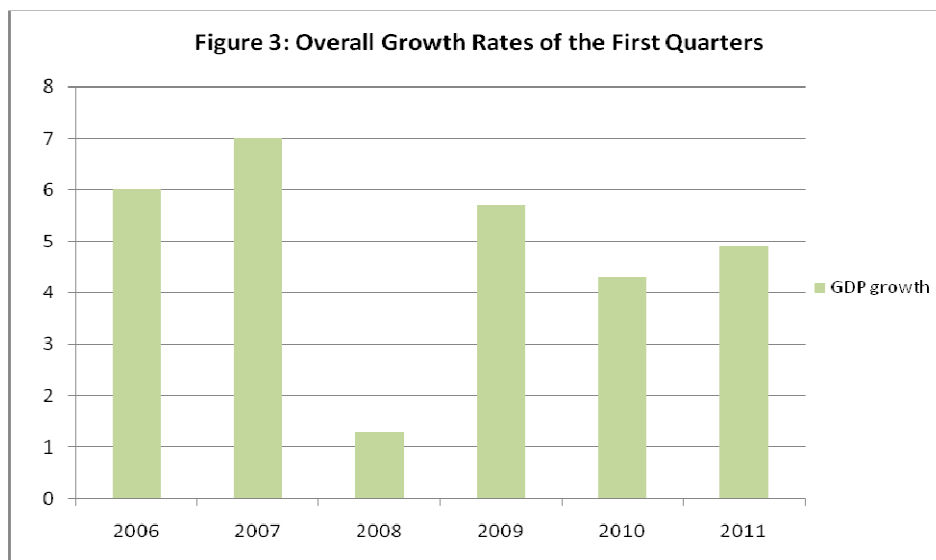
was mainly on the account of increased value of imports coupled by weakening of the Kenya Shilling. The capital and financial account recorded a surplus of KSh 50.3 billion in the period.

Export earnings increased by 19.8 per cent to KSh 118.1 billion in first quarter 2011 from KSh 98.7 billion over same period 2010. On the other hand, value of imports increased to KSh 285.8 billion over the same period, mainly on account of increased value of imports of oil, manufactured goods, machinery and transport equipment and chemicals. Consequently, the merchandise account deficit worsened from KSh 107.8 billion in the first quarter of 2010 to KSh 167.7 billion in the first quarter of 2011 due to increased value of imports.

The services account recorded a surplus of KSh 40.3 billion in the first quarter of 2011 compared to a surplus of KSh 42.7 billion in a same quarter of 2011. This was despite an increase of KSh 1.8 billion in tourism earnings during the period.

#### 4. First Quarter GDP Growth Rates – 2006 to 2011

First quarter GDP growth rates for 2006 to 2011 are presented in Figure 3 below. The graph shows that in the last six years, first quarter 2007 recorded the highest growth of 7.0 per cent while 2008 had the lowest growth of 1.3 per cent.



## 5. Seasonally adjusted GDP

In order to measure changes from one quarter to the subsequent one, the estimates need to be seasonally adjusted. This is done at the aggregate level of the GDP rather than at the activity (sectors) level. Compared to the fourth quarter 2010, the economy managed a paltry 0.5 per cent during the first quarter of 2011. Figure 4 shows the movement of quarterly GDP indexes of both seasonally adjusted and unadjusted QGDP. The movement of the unadjusted GDP index is more uneven compared to the adjusted series because the former has the seasonal component which has been removed in the adjusted GDP series and therefore it only reflects the trend component.

Figure 5 depicts the movements of the adjusted and unadjusted GDP index excluding agriculture. As a consequence, the movements of the two indexes are closer than in figure 4 an indication that agriculture contributes significantly to seasonal movements of the Kenyan GDP.

**Figure 4: Movement of Seasonally Adjusted and Unadjusted QGDP**

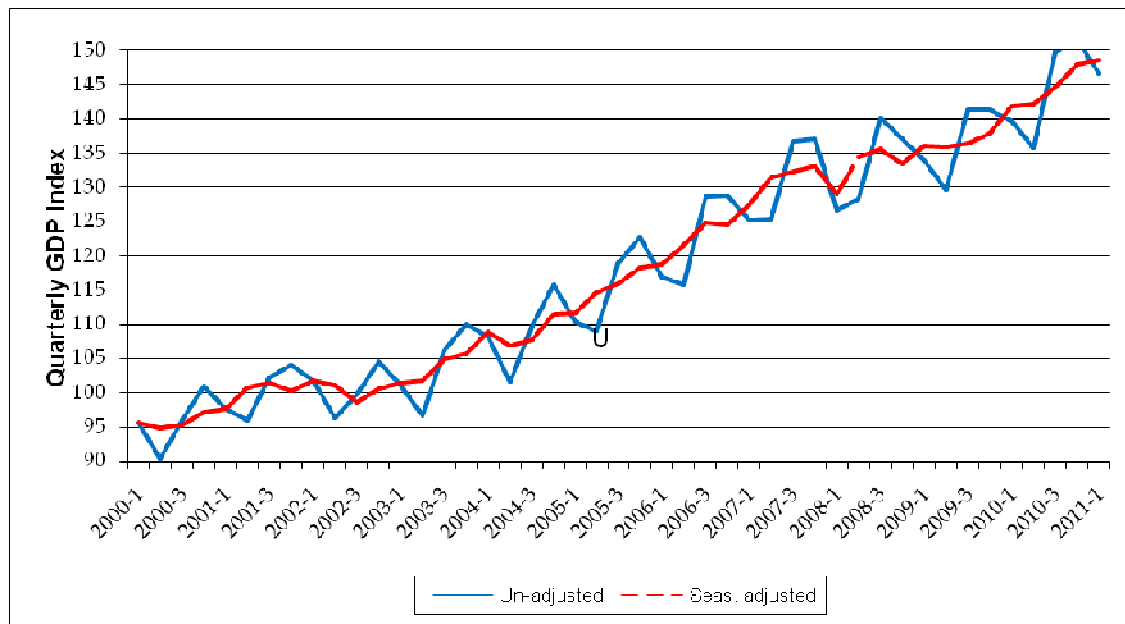
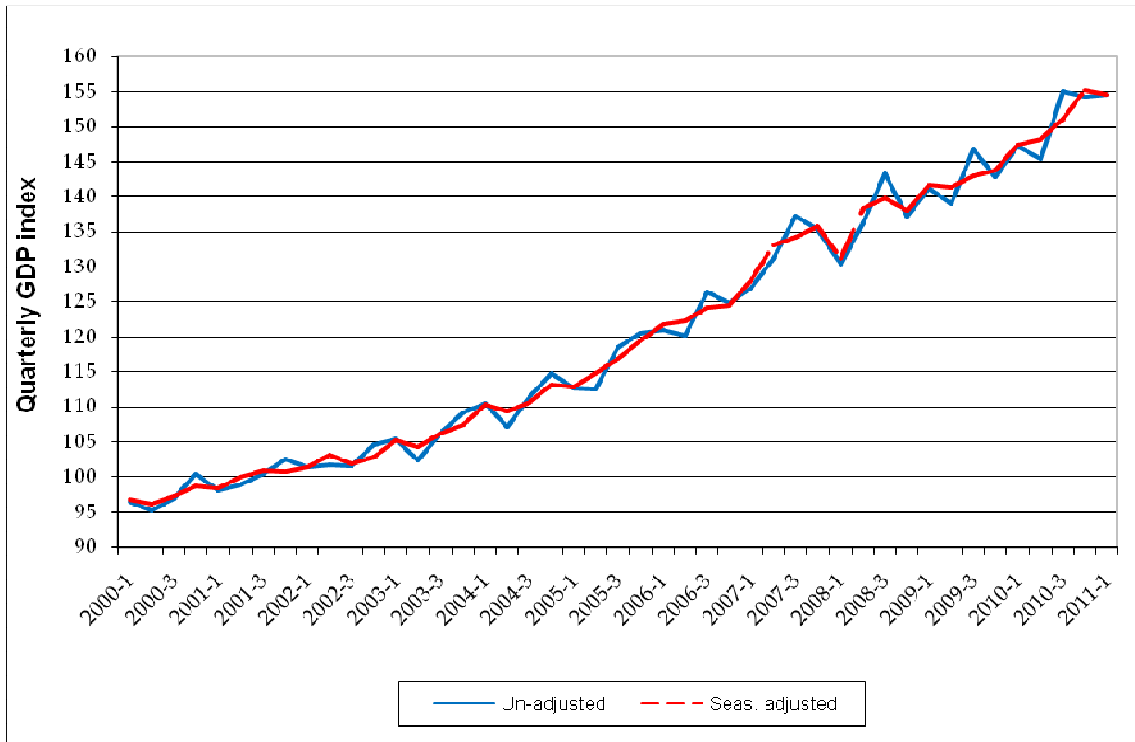


Figure 5: Movement of Seasonally Adjusted and Unadjusted QGDP Excluding Agriculture





**Table 1 Gross domestic product by activity**  
**Constant 2001 prices –KSh. million**

Year	Quar-ter	Agricul- ture and forestry	Fishing	Mining and quarrying	Manufac- turing	Electricity and water	Construc- tion	Whole-sale and retail trade	Hotels and restau- rants	Transport and com- munic- ation	Financial interme- diation
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	29,771	40,405	131,754	20,814	156,845	50,306
2008		307,354	5,363	6,453	135,291	31,345	43,735	138,054	13,298	161,616	51,659
2009		299,431	5,565	6,163	136,993	30,390	49,141	143,388	18,993	171,976	54,043
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	1,641	1,392	31,735	7,118	8,671	29,934	5,510	36,854	12,307
	2	68,909	1,152	1,568	32,629	7,559	9,946	32,023	4,712	38,746	12,569
	3	85,878	1,552	1,614	33,060	7,526	11,181	35,733	5,475	40,968	12,654
	4	89,742	1,836	1,699	33,248	7,568	10,608	34,065	5,116	40,277	12,776
2008	1	72,095	1,412	1,466	31,964	7,739	9,128	33,363	2,784	37,388	12,747
	2	69,173	969	1,682	34,003	7,882	11,352	33,264	2,685	39,422	13,066
	3	81,492	1,364	1,754	34,813	7,766	12,456	37,747	4,026	42,877	12,703
	4	84,594	1,618	1,551	34,512	7,957	10,798	33,679	3,804	41,929	13,143
2009	1	71,028	1,834	1,290	33,494	7,919	11,368	33,133	7,215	43,088	13,181
	2	66,302	1,294	1,605	33,703	8,064	12,576	32,885	3,993	38,141	13,405
	3	78,773	1,725	1,646	34,352	7,439	12,539	39,031	4,086	47,330	13,601
	4	83,329	711	1,623	35,443	6,968	12,658	38,338	3,700	43,416	13,856
2010	1	75,056	1,903	1,558	35,520	7,719	11,400	34,618	7,019	45,676	13,837
	2	68,302	1,326	1,628	35,342	8,528	13,032	34,540	3,949	40,147	14,393
	3	85,515	1,757	1,664	36,303	8,711	13,263	40,881	4,529	49,361	15,036
	4	89,508	727	1,920	35,863	8,445	13,655	44,520	4,299	46,866	15,530
2011	1	76,718	1,925	1,774	36,661	7,988	12,617	35,866	7,602	48,656	15,341

**Table 1 Cont'd**

Constant 2001 prices – KSh. million

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	1,155,993	835,570	180,855	1,336,848	
2008		73,503	45,317	80,771	85,120	-10,484	1,168,395	861,041	188,882	1,357,277	
2009		75,674	46,029	82,952	87,912	-12,762	1,195,888	896,457	197,286	1,393,174	
2005	1	16,059	11,693	18,228	19,034	-2,773	246,955	177,258	34,377	281,332	284,577
	2	16,695	11,658	18,244	19,165	-2,785	241,343	177,134	36,511	277,854	292,313
	3	16,639	11,680	18,257	19,320	-2,821	267,025	186,297	36,028	303,053	295,784
	4	16,489	11,691	18,269	19,498	-2,881	274,783	189,619	38,227	313,010	301,653
2006	1	16,888	11,682	18,313	19,729	-2,894	260,125	190,497	38,052	298,176	302,971
	2	16,889	11,605	18,252	19,915	-2,961	256,765	189,221	38,365	295,130	309,905
	3	16,744	11,455	18,268	20,088	-2,956	284,954	198,972	42,912	327,867	318,431
	4	17,925	11,232	18,354	20,247	-3,024	286,259	196,487	42,038	328,297	317,602
2007	1	17,092	11,266	19,174	20,421	-3,100	275,907	200,013	43,274	319,181	324,927
	2	17,783	11,447	18,949	20,570	-3,124	275,437	206,528	44,128	319,564	335,034
	3	18,296	11,321	18,951	20,718	-3,040	301,888	216,009	46,773	348,661	337,479
	4	17,689	10,996	19,183	20,866	-2,909	302,761	213,019	46,680	349,442	339,393
2008	1	17,439	11,160	20,116	21,037	-2,641	277,198	205,102	45,990	323,187	328,934
	2	19,960	11,419	20,254	21,191	-2,588	283,735	214,561	43,334	327,068	342,586
	3	19,436	11,385	20,262	21,357	-2,505	306,931	225,439	50,756	357,687	345,634
	4	16,668	11,353	20,140	21,535	-2,748	300,532	215,938	48,802	349,334	340,328
2009	1	18,868	11,291	20,891	21,724	-3,045	293,280	222,252	48,307	341,586	347,083
	2	22,302	11,491	20,579	21,901	-3,250	284,991	218,689	45,748	330,739	346,451
	3	18,175	11,578	20,582	22,067	-3,293	309,630	230,858	50,686	360,317	348,046
	4	16,329	11,668	20,900	22,220	-3,173	307,987	224,658	52,545	360,532	351,771
2010	1	19,666	11,474	21,676	22,362	-2,773	306,711	231,655	49,656	356,367	361,592
	2	22,587	11,751	21,668	22,468	-2,567	297,095	228,793	48,936	346,031	362,486
	3	18,892	11,868	21,709	22,539	-2,447	329,580	244,065	52,167	381,747	368,861
	4	16,945	11,943	21,799	22,574	-2,402	332,192	242,685	54,179	386,372	377,154
2011	1	20,409	11,682	22,402	22,574	-2,368	319,849	243,130	54,135	373,983	379,065

**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	5.6
2006		4.4	8.7	4.1	6.3	-1.7	6.3	11.6	14.9	11.4	4.8
2007		2.4	-1.1	12.9	6.3	9.1	7.3	11.3	16.3	15.1	6.6
2008		-4.1	-13.2	2.9	3.5	5.3	8.2	4.8	-36.1	3.0	2.7
2009		-2.6	3.8	-4.5	1.3	-3.0	12.4	3.9	42.8	6.4	4.6
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	8.4	6.5
	2	2.0	3.8	18.2	7.9	11.8	10.6	11.7	39.3	16.5	6.7
	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	20.2	6.0
2008	1	-5.0	-13.9	5.3	0.7	8.7	5.3	11.5	-49.5	1.4	3.6
	2	0.4	-15.9	7.3	4.2	4.3	14.1	3.9	-43.0	1.7	4.0
	3	-5.1	-12.1	8.7	5.3	3.2	11.4	5.6	-26.5	4.7	0.4
	4	-5.7	-11.9	-8.7	3.8	5.1	1.8	-1.1	-25.7	4.1	2.9
2009	1	-1.5	29.9	-12.0	4.8	2.3	24.5	-0.7	159.2	15.2	3.4
	2	-4.2	33.6	-4.6	-0.9	2.3	10.8	-1.1	48.7	-3.2	2.6
	3	-3.3	26.5	-6.2	-1.3	-4.2	0.7	3.4	1.5	10.4	7.1
	4	-1.5	-56.1	4.6	2.7	-12.4	17.2	13.8	-2.7	3.5	5.4
2010	1	5.7	3.8	20.7	6.0	-2.5	0.3	4.5	-2.7	6.0	5.0
	2	3.0	2.5	1.5	4.9	5.8	3.6	5.0	-1.1	5.3	7.4
	3	8.6	1.9	1.1	5.7	17.1	5.8	4.7	10.8	4.3	10.6
	4	7.4	2.2	18.4	1.2	21.2	7.9	16.1	16.2	7.9	12.1
2011	1	2.2	1.1	13.8	3.2	3.5	10.7	3.6	8.3	6.5	10.9

**Table 2 Cont'd**  
**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	3.3	21.7	2.4	4.1	4.4	2.6	
2005	1	2.3	-1.0	0.6	3.2	5.0	1.2	2.0	8.0	2.0	0.2
	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	0.4	3.1	4.4	5.7	4.9	7.6	5.9	2.0
2006	1	5.2	-0.1	0.5	3.7	4.3	5.3	7.5	10.7	6.0	0.4
	2	1.2	-0.5	0.0	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	2.8
	4	8.7	-3.9	0.5	3.8	5.0	4.2	3.6	10.0	4.9	-0.3
2007	1	1.2	-3.6	4.7	3.5	7.1	6.1	5.0	13.7	7.0	2.3
	2	5.3	-1.4	3.8	3.3	5.5	7.3	9.1	15.0	8.3	3.1
	3	9.3	-1.2	3.7	3.1	2.9	5.9	8.6	9.0	6.3	0.7
	4	-1.3	-2.1	4.5	3.1	-3.8	5.8	8.4	11.0	6.4	0.6
2008	1	2.0	-0.9	4.9	3.0	-14.8	0.5	2.5	6.3	1.3	-3.1
	2	12.2	-0.2	6.9	3.0	-17.1	3.0	3.9	-1.8	2.3	4.2
	3	6.2	0.6	6.9	3.1	-17.6	1.7	4.4	8.5	2.6	0.9
	4	-5.8	3.2	5.0	3.2	-5.5	-0.7	1.4	4.5	0.0	-1.5
2009	1	8.2	1.2	3.9	3.3	15.3	5.8	8.4	5.0	5.7	2.0
	2	11.7	0.6	1.6	3.3	25.6	0.4	1.9	5.6	1.1	-0.2
	3	-6.5	1.7	1.6	3.3	31.4	0.9	2.4	-0.1	0.7	0.5
	4	-2.0	2.8	3.8	3.2	15.5	2.5	4.0	7.7	3.2	1.1
2010	1	4.2	1.6	3.8	2.9	-8.9	4.6	4.2	2.8	4.3	2.8
	2	1.3	2.3	5.3	2.6	-21.0	4.2	4.6	7.0	4.6	0.2
	3	3.9	2.5	5.5	2.1	-25.7	6.4	5.7	2.9	5.9	1.8
	4	3.8	2.4	4.3	1.6	-24.3	7.9	8.0	3.1	7.2	2.2
2011	1	3.8	1.8	3.4	0.9	-14.6	4.3	5.0	9.0	4.9	0.5

Table 3: Balance of Payments Estimates

In millions of KSh

ITEM	2008				2009				2010				2011
	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
<b>1. CURRENT ACCOUNT</b>	(18,706.46)	(6,622.81)	(55,591.07)	(35,934.98)	(28,647.16)	(35,436.28)	(36,009.34)	(20,418.51)	(29,794.26)	(43,838.39)	(44,612.27)	(60,735.23)	(81,344.37)
<b>1.1. GOODS</b>	(92,415.92)	(83,080.98)	(129,422.60)	(120,807.42)	(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)
<b>Exports (fob)</b>	83,185.24	82,198.60	88,566.98	90,973.45	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
Re-exports	4,873.21	5,056.41	5,806.29	6,546.91	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
Domestic exports	78,312.03	77,142.19	82,760.69	84,426.54	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
<b>Imports (cif)</b>	175,601.15	165,279.58	217,989.58	211,780.87	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
Government	1,276.77	909.26	1,709.42	3,298.14	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
Commercial	174,324.38	164,370.32	216,280.16	208,482.73	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
<b>1.2. SERVICES</b>	33,482.29	33,397.51	38,915.08	45,917.52	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
Credit	48,825.87	53,573.06	57,274.98	65,352.30	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
Debit	(15,343.57)	(20,175.55)	(18,359.91)	(19,434.78)	(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)
<i>of which</i>													
Travel account	6,011.49	8,537.79	8,999.32	10,119.13	11,913.93	6,062.11	7,558.71	8,607.10	6,474.80	12,037.51	11,323.36	10,560.85	9,229.30
Credit	10,449.78	12,409.04	14,425.54	14,758.05	16,841.35	9,640.69	12,181.89	13,013.86	11,809.62	15,467.46	14,168.77	15,738.04	13,560.93
Debit	(4,438.29)	(3,871.25)	(5,426.22)	(4,638.92)	(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)
<b>1.3. Income account</b>	621.48	(781.15)	(1,488.18)	(1,485.24)	(931.05)	(1,046.43)	(2,540.80)	(466.58)	1,570.83	1,786.02	6,405.43	(466.58)	1,570.83
Credit	4,588.03	2,375.81	3,296.72	1,790.72	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
Debit	(3,966.55)	(3,156.96)	(4,784.90)	(3,275.96)	(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)
<b>1.4. Current Transfers account</b>	39,605.68	43,841.82	36,404.63	40,440.15	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
Diaspora remittances	11,101.09	10,392.96	9,362.00	11,271.97	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
<b>2. CAPITAL &amp; FINANCIAL ACCOUNT</b>	16,497.42	3,852.82	80,352.22	37,357.50	21,026.87	(5,696.35)	10,947.14	53,451.00	4,747.79	40,255.78	23,204.54	45,789.45	50,318.16
2.1 Capital Account (capital transfers)	2,184.00	11,143.00	3,239.00	2,901.62	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
2.2 Financial Account net	14,313.42	(7,290.18)	77,113.22	34,455.88	12,982.87	(10,552.35)	7,478.14	47,288.00	3,308.79	37,601.78	22,025.54	41,031.94	45,425.78
2.2.1 Investments net	18,992.61	(5,643.27)	56,950.40	13,478.97	1,801.42	29,682.37	44,724.23	57,666.06	(4,641.44)	41,730.59	42,879.35	37,794.20	56,628.79
2.2.2 Change in official Reserves	(4,679.20)	(1,646.90)	20,162.82	20,976.90	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)
<b>3. NET ERRORS AND OMISSIONS</b>	2,209.05	2,769.98	(24,761.15)	(1,422.51)	7,620.29	41,132.63	25,062.20	(33,032.49)	25,046.46	3,582.61	21,407.73	14,945.79	31,026.20
<i>Average exchange rate against US \$</i>	67.83	62.65	68.60	77.62	79.58	78.45	76.24	75.14	76.49	78.94	80.93	80.58	82.24

Table 4: Balance of Merchandise Trade

KSh Million

Year	Period	Domestic Exports	Re-Exports	Total Exports	Imports	Balance of Trade	Volume of Trade
2005	Q1	51,942.78	16,087.16	68,029.93	100,387.16	(32,357.23)	168,417.09
	Q2	52,702.71	15,484.46	68,187.16	130,982.51	(62,795.35)	199,169.68
	Q3	53,440.29	10,684.78	64,125.07	106,230.35	(42,105.28)	170,355.42
	Q4	51,832.19	8,248.71	60,080.91	105,492.74	(45,411.84)	165,573.65
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	242,213.04	(140,661.67)	343,764.41
	Q4	105,369.48	6,623.01	111,992.49	267,065.28	(155,072.79)	379,057.77
2011	Q1	111,689.81	6,423.60	118,113.41	285,801.22	(167,687.81)	403,914.63