

## **Statistical Release**

# **Gross Domestic Product First Quarter 2014**

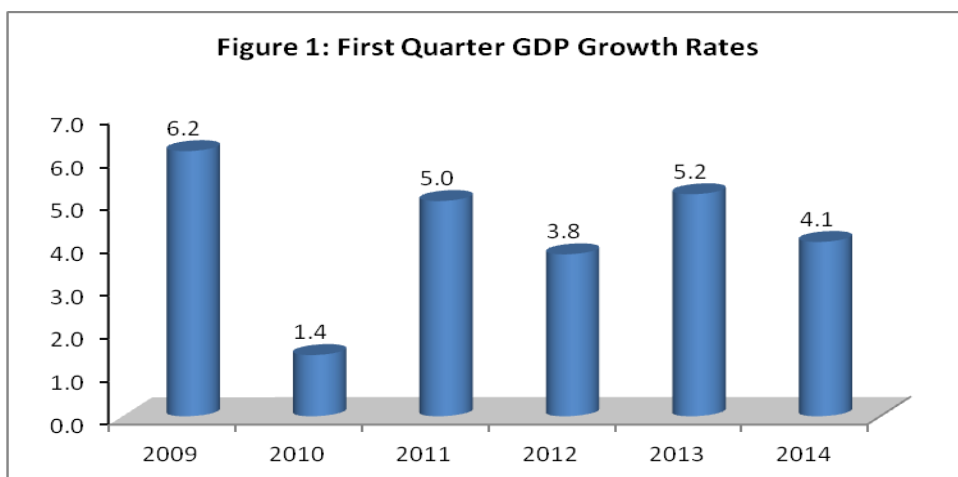
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## **1.0 Economic performance**

The first quarter of 2014 experienced a relatively stable macroeconomic environment despite interest rates remaining comparatively high. Inflation rose moderately but was nevertheless contained at an average of 6.78 per cent during the first quarter of 2014 compared to 4.08 per cent in the same quarter of 2013. Over the same period, the Kenya Shilling registered slight fluctuations against the US dollar, the Euro and the Tanzania Shilling and appreciated strongly against the Japanese Yen and the South Africa Rand while it depreciated significantly against the Sterling Pound.

Against this background, Kenya's Gross Domestic Product (GDP) is estimated to have expanded by 4.1 per cent in the first quarter of 2014 compared to 5.2 per cent during the same quarter of 2013. The growth can be attributed to accelerated expansion in activities of transport and communication, manufacturing, wholesale and retail trade, mining and quarrying and electricity industries. Agriculture and forestry, and fishing recorded slowed growths while activities of the hotels and restaurants contracted during the review period. The deceleration in growth of the hotel industry was largely due to insecurity concerns coupled with negative travel advisories by some key tourist source countries. Another factor that constrained economic growth during the quarter was the erratic weather pattern that resulted in depressed agricultural output. Quantities of exports of cut flowers and vegetables declined, while that of fruits rose significantly. Activities of other key crops, in particular cereals were negatively affected by the erratic rains during the quarter.

Figure 1 presents the first quarter GDP growth rates from 2009 to 2014. In the last six years, first quarter of 2009 recorded the highest growth of 6.2 per cent while 2010 had the lowest growth of 1.4 per cent.



## 2.0 Sectoral Analysis

### 2.1 Agriculture and Forestry

Agriculture and forestry grew by 2.7 per cent in the first quarter of 2014 compared to a growth of 6.8 per cent over a similar period in 2013. The slowed growth was largely attributed to erratic weather and suppressed external demand during the review period. Export of vegetables contracted by 20.3 per cent in 2014 to 16.6 thousand metric tonnes while that of fruits increased by 18.5 per cent to reach 9.2 thousand metric tonnes over the same period. Quantities of cut flower exported declined marginally over the review period.

Tea production decreased by 4.4 per cent compared with a growth of 61.8 per cent in a similar quarter in 2013. On the other hand, output of coffee and sugarcane recorded significant growths though their combined effect could not offset the poor performance of other crops. International auction prices of coffee and tea decreased compared to the same quarter in 2013.

### 2.2 Manufacturing

The manufacturing sector recorded an overall growth of 5.0 per cent during the period under review compared to a 2.5 per cent growth during the first quarter of 2013. The expansion was mainly driven by a 6.2 per cent growth in non-food manufacturing, notably the production of cement production and assembly of motor vehicles. Within the manufacture of food category, processing of maize meal, sugar and wheat flour registered significant growths compared to the same quarter in 2013.

### **2.3 Transport and Communication**

In the first quarter of 2014, transport and communication sector expanded by 6.0 per cent compared to a growth of 5.6 per cent in 2013. Transport and storage sub-sector recorded a robust growth of 6.7 per cent in the review period compared to 1.0 per cent growth over the same quarter of 2013.

However, communications sub-sector expanded by 5.1 per cent during the first quarter of 2014, slowing from a growth of 11.0 per cent in the same quarter of 2013. The sector's growth was mainly on account of continued uptake of new services provided through the mobile telephone networks.

### **2.4 Financial Intermediation**

The sector recorded a slowed growth of 8.3 per cent during the period under review compared to 12.1 per cent growth in the first quarter of 2013. Broad money supply grew by 17.3 per cent to stand at Ksh 2,060.3 billion in March 2014. Domestic credit grew by 5.8 per cent over the first quarter of 2014 compared to a growth of 2.9 per cent in the same quarter of 2013. Over the same period, credit to the public sector grew by 13.0 per cent compared to 5.9 per cent while credit to the private sector increased by 4.7 per cent.

The NSE-20 Share Index reached a high of 4,948 in March 2014, up from 4,861 during the same month of 2013, as shown in Figure 2.

**Figure 2: NSE\_20 Share Index**

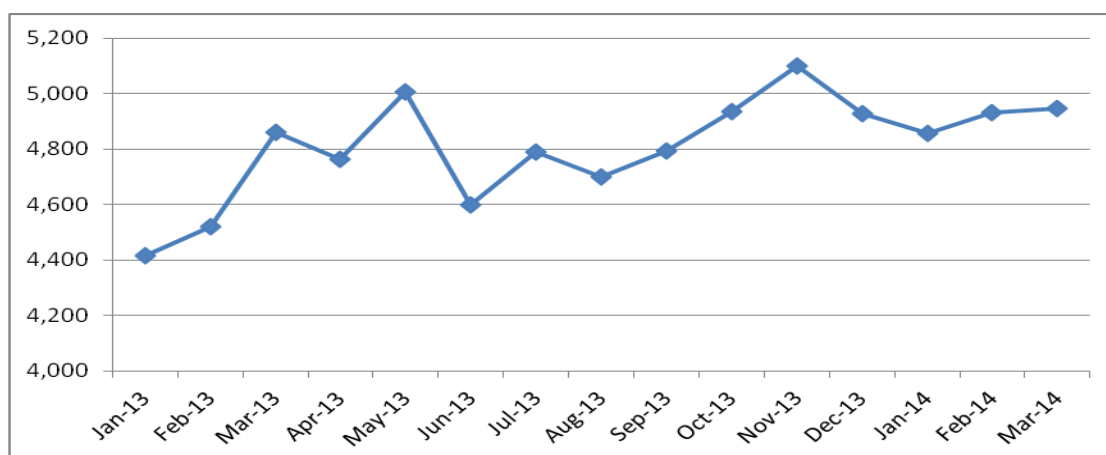
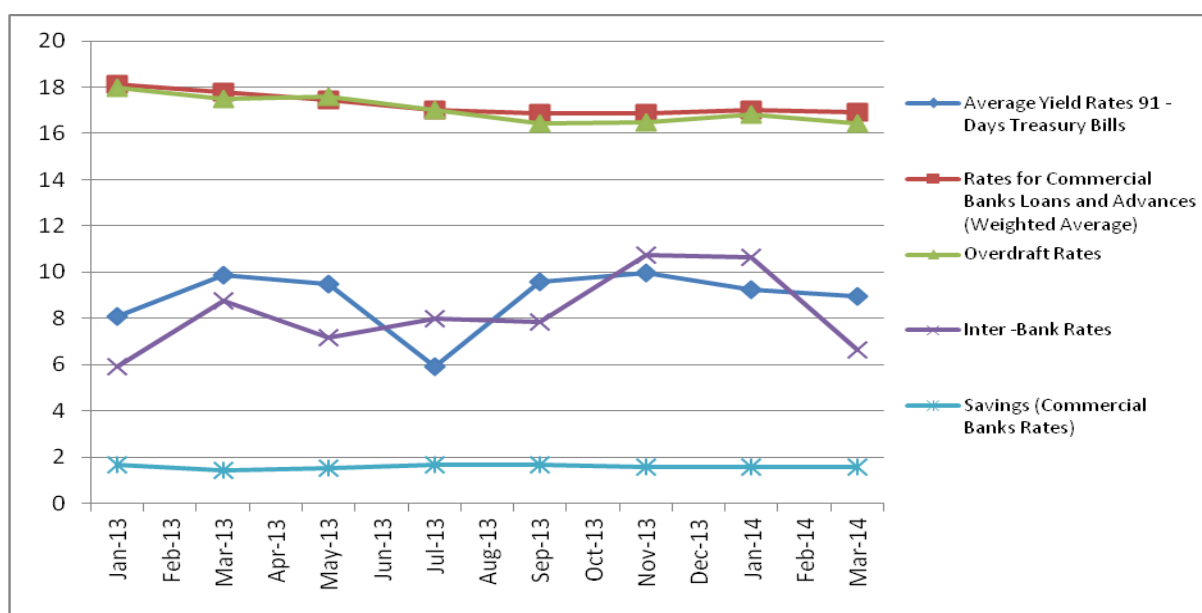


Figure 3 shows the trend of various interest rates between first quarters of 2013 and 2014. During the first quarter of 2014, the average interest rate on 91-day treasury bills stood at 9.13 per cent, compared to an average of 8.79 per cent rate recorded in a similar period in 2013. The overdraft and maximum lending interest rates dropped from an average of 17.7 and 17.9 per cent to 16.7 and 17.0 per cent, respectively, during the period under review. On the contrary, the interbank lending rate increased marginally from an average of 7.9 per cent to 8.8 per cent while the average deposit rate remained largely unchanged at 1.5 per cent over the first quarter of both 2014 and 2013.

**Figure 3: Monthly Movements in Interest Rates June 2011 – March 2013**



## **2.5 Hotels and Restaurants**

The sector recorded a negative growth of 3.0 per cent during the first quarter of 2014. This was an improvement from a decline of 12.8 per cent during the same quarter in 2013. The poor performance in the sector was primarily due to a decline in bed occupancy in coastal beach hotels on account of insecurity concerns.

## **2.6 Construction**

During the quarter under review, construction recorded a slower growth of 4.9 per cent compared to a growth of 7.4 per cent in a similar quarter in 2013. The growth in the sector was reflected in cement consumption which expanded by 17.2 per cent during the review period.

## **2.6 Electricity and Water**

The sector grew by 4.4 per cent compared with a contraction of 0.8 per cent during the first quarter of 2014. There was a substantial decrease in hydro generation of electricity which was matched by a significant increase in thermal generation and therefore impacted negatively on the growth of the sector. However, generation of geo-thermal expanded rapidly and therefore more than compensated for the decline in hydro generation.

**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
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
2009		299,431	5,565	6,163	137,060	30,397	49,270	143,460	18,993	171,994	55,375
2010		318,586	5,713	6,763	143,263	33,292	51,492	154,942	19,796	182,181	60,379
2011		323,415	5,891	7,244	148,198	32,430	53,728	166,186	20,774	190,654	65,095
2012		335,785	6,093	7,545	152,735	35,773	56,314	176,874	21,322	198,234	69,349
2013		346,935	6,422	8,102	160,247	37,915	59,434	194,738	20,366	212,282	74,353
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	7,736	9,125	33,439	2,784	36,948	12,699
	2	69,175	969	1,682	34,002	7,880	11,348	33,326	2,685	39,015	13,023
	3	81,492	1,364	1,754	34,813	7,765	12,456	37,738	4,026	42,869	12,705
	4	84,591	1,617	1,551	34,513	7,959	10,805	33,541	3,804	42,783	13,231
2009	1	70,990	1,405	1,291	33,463	7,931	11,359	32,813	7,194	45,310	13,410
	2	66,276	1,124	1,605	33,695	8,073	12,593	32,625	3,986	40,552	13,732
	3	78,761	1,372	1,645	34,380	7,439	12,585	39,048	4,091	51,403	13,984
	4	83,404	1,663	1,622	35,522	6,954	12,734	38,974	3,721	34,730	14,250
2010	1	75,188	1,460	1,555	35,684	7,683	11,496	26,442	7,126	48,872	14,165
	2	68,405	1,201	1,687	35,470	8,484	13,127	36,586	3,977	42,784	14,737
	3	85,642	1,400	1,745	36,347	8,680	13,296	43,850	4,501	52,977	15,440
	4	89,351	1,653	1,776	35,762	8,446	13,573	48,065	4,191	37,548	16,037
2011	1	75,239	1,476	1,698	37,118	8,049	12,666	28,815	7,515	51,546	15,971
	2	71,143	1,231	1,813	36,400	8,206	13,232	38,763	4,090	44,601	15,934
	3	85,790	1,468	1,858	37,284	7,717	13,632	47,074	4,611	55,316	16,610
	4	91,243	1,716	1,875	37,396	8,470	14,197	51,535	4,558	39,786	16,579
2012	1	76,433	1,555	1,791	37,948	8,919	12,880	30,757	7,714	55,408	16,491
	2	72,466	1,323	1,921	37,490	8,829	14,154	42,400	4,187	46,567	16,955
	3	91,526	1,567	1,905	38,157	8,815	13,819	50,792	4,712	57,550	17,696
	4	96,639	1,648	1,927	39,364	9,237	15,474	57,153	4,709	40,764	18,207
2013	1	81,594	1,742	1,868	38,883	8,844	13,837	33,350	6,723	58,527	18,484
	2	75,698	1,426	1,997	38,788	10,033	14,115	45,997	3,867	50,072	18,321
	3	92,842	1,586	2,160	40,720	9,568	15,514	54,333	4,978	61,470	18,494
	4	96,802	1,668	2,078	41,856	9,470	15,968	61,056	4,799	42,213	19,053
2014	1	83,827	1,757	2,054	40,818	9,230	14,517	36,196	6,522	62,012	20,015

**Table 1 Gross domestic product by activity**

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
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	
2009		75,674	46,031	82,952	87,850	-11,945	1,198,270	898,839	196,117	1,394,387	
2010		78,089	47,085	86,651	89,721	-11,260	1,266,695	948,108	208,607	1,475,302	
2011		80,888	48,271	90,836	93,361	-11,843	1,315,126	991,711	224,786	1,539,912	
2012		83,583	49,584	95,102	96,369	-11,729	1,372,932	1,037,147	237,153	1,610,084	
2013		87,209	51,935	100,466	99,466	-13,778	1,446,091	1,099,156	240,058	1,686,149	
2007	1	17,092	11,266	19,187	20,421	-3,094	276,026	200,132	43,263	319,289	327,182
	2	17,783	11,447	18,984	20,569	-3,118	275,578	206,669	44,118	319,696	333,837
	3	18,296	11,321	18,963	20,718	-3,041	301,898	216,020	46,774	348,672	335,792
	4	17,689	10,996	19,123	20,867	-2,920	302,489	212,747	46,700	349,189	339,799
2008	1	17,439	11,161	20,133	21,039	-2,685	276,758	204,661	46,126	322,884	331,800
	2	19,960	11,420	20,211	21,192	-2,627	283,261	214,086	43,443	326,704	340,902
	3	19,436	11,385	20,232	21,357	-2,503	306,889	225,397	50,751	357,640	342,567
	4	16,668	11,352	20,195	21,533	-2,669	301,474	216,883	48,562	350,036	341,929
2009	1	18,875	11,281	20,872	21,760	-2,853	295,100	224,109	47,720	342,820	352,141
	2	22,318	11,494	20,646	21,918	-3,004	287,632	221,356	45,168	332,800	347,612
	3	18,178	11,585	20,627	22,042	-3,059	314,081	235,320	50,342	364,423	347,666
	4	16,304	11,671	20,807	22,130	-3,029	301,457	218,053	52,887	354,344	346,127
2010	1	19,630	11,461	21,840	22,213	-2,788	302,027	226,839	45,717	347,744	358,344
	2	22,532	11,746	21,637	22,322	-2,764	301,930	233,525	51,048	352,979	368,429
	3	18,889	11,885	21,561	22,485	-2,811	335,886	250,244	54,931	390,817	372,779
	4	17,038	11,994	21,613	22,701	-2,898	326,852	237,501	56,911	383,763	374,366
2011	1	20,654	11,780	22,528	23,006	-2,937	315,125	239,885	50,017	365,141	377,297
	2	22,937	12,058	22,602	23,248	-2,927	313,332	242,189	51,731	365,063	381,566
	3	19,737	12,176	22,746	23,461	-3,033	346,448	260,658	60,010	406,458	387,244
	4	17,559	12,256	22,959	23,646	-2,946	340,829	249,586	63,028	403,857	392,909
2012	1	21,419	12,090	23,891	23,802	-2,809	328,287	251,854	50,627	378,914	392,516
	2	23,548	12,355	23,972	23,980	-2,833	327,314	254,849	54,297	381,611	399,166
	3	20,500	12,510	23,977	24,181	-2,966	364,742	273,216	60,678	425,420	405,086
	4	18,116	12,630	23,906	24,405	-3,121	361,061	264,421	63,647	424,708	412,192
2013	1	22,235	12,650	25,234	24,651	-3,305	345,317	263,723	53,194	398,511	413,853
	2	24,378	12,935	25,009	24,836	-3,369	344,102	268,404	55,054	399,156	417,547
	3	21,157	13,133	24,881	24,959	-3,473	382,321	289,479	63,926	446,247	424,883
	4	19,438	13,218	25,342	25,020	-3,631	374,351	277,549	67,884	442,235	428,664
2014	1	23,034	13,274	26,087	25,459	-3,841	360,962	277,135	54,009	414,971	431,517



**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
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	12.7	3.9	42.8	6.4	7.2
2010		6.4	2.7	9.7	4.5	9.5	4.5	8.0	4.2	5.9	9.0
2011		1.5	3.1	7.1	3.4	-2.6	4.3	7.3	4.9	4.7	7.8
2012		3.8	3.4	4.1	3.1	10.3	4.8	6.4	2.6	4.0	6.5
2013		2.9	5.4	7.4	4.8	5.9	5.5	7.5	-4.5	6.0	7.2
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	11.7	-49.5	0.0	3.1
	2	0.4	-15.8	7.3	4.2	4.3	14.1	4.1	-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	-1.5	-25.7	6.7	3.7
2009	1	-1.5	-0.6	-11.9	4.7	2.5	24.5	-1.9	158.4	22.6	5.6
	2	-4.2	15.9	-4.6	-0.9	2.5	11.0	-2.1	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	16.2	-2.2	-18.8	7.7
2010	1	5.9	3.9	20.4	6.6	-3.1	1.2	-19.4	-0.9	7.9	5.6
	2	3.2	6.9	5.1	5.3	5.1	4.2	12.1	-0.2	5.5	7.3
	3	8.7	2.0	6.0	5.7	16.7	5.7	12.3	10.0	3.1	10.4
	4	7.1	-0.6	9.5	0.7	21.5	6.6	23.3	12.6	8.1	12.5
2011	1	0.0	1.1	9.2	4.0	4.8	10.2	8.9	5.5	5.5	12.8
	2	4.0	2.5	7.5	2.6	-3.3	0.8	5.9	2.8	4.3	8.1
	3	0.2	4.9	6.5	2.6	-11.1	2.5	7.3	2.4	4.4	7.6
	4	2.2	3.8	5.6	4.6	0.3	4.6	7.3	8.8	5.9	3.4
2012	1	1.6	5.3	5.5	2.2	10.8	1.7	6.7	2.6	7.5	3.3
	2	1.9	7.5	5.9	3.0	7.6	7.0	9.4	2.4	4.4	6.4
	3	6.7	6.7	2.5	2.3	14.2	1.4	7.9	2.2	4.0	6.5
	4	5.9	-3.9	2.8	5.3	9.1	9.0	10.9	3.3	2.5	9.8
2013	1	6.8	12.0	4.3	2.5	-0.8	7.4	8.4	-12.8	5.6	12.1
	2	4.5	7.8	3.9	3.5	13.6	-0.3	8.5	-7.6	7.5	8.1
	3	1.4	1.2	13.4	6.7	8.5	12.3	7.0	5.6	6.8	4.5
	4	0.2	1.2	7.8	6.3	2.5	3.2	6.8	1.9	3.6	4.7
2014	1	2.7	0.9	9.9	5.0	4.4	4.9	8.5	-3.0	6.0	8.3

**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
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	2.1	-5.7	5.7	5.5	6.4	5.8	
2011		3.6	2.5	4.8	4.1	5.2	3.8	4.6	7.8	4.4	
2012		3.3	2.7	4.7	3.2	-1.0	4.4	4.6	5.5	4.6	
2013		4.3	4.7	4.9	3.2	17.5	4.7	5.2	4.7	4.7	
2007	1	1.2	-3.6	4.9	3.5	6.9	6.1	5.1	13.7	7.1	3.0
	2	5.3	-1.4	4.1	3.3	5.3	7.3	9.2	15.0	8.3	2.0
	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	1.2
2008	1	2.0	-0.9	4.9	3.0	-13.2	0.3	2.3	6.6	1.1	-2.4
	2	12.2	-0.2	6.5	3.0	-15.8	2.8	3.6	-1.5	2.2	2.7
	3	6.2	0.6	6.7	3.1	-17.7	1.7	4.3	8.5	2.6	0.5
	4	-5.8	3.2	5.6	3.2	-8.6	-0.3	1.9	4.0	0.2	-0.2
2009	1	8.2	1.1	3.7	3.4	6.3	6.6	9.5	3.5	6.2	3.0
	2	11.8	0.6	2.1	3.4	14.3	1.5	3.4	4.0	1.9	-1.3
	3	-6.5	1.8	2.0	3.2	22.2	2.3	4.4	-0.8	1.9	0.0
	4	-2.2	2.8	3.0	2.8	13.5	0.0	0.5	8.9	1.2	-0.4
2010	1	4.0	1.6	4.6	2.1	-2.3	2.3	1.2	-4.2	1.4	3.5
	2	1.0	2.2	4.8	1.8	-8.0	5.0	5.5	13.0	6.1	2.8
	3	3.9	2.6	4.5	2.0	-8.1	6.9	6.3	9.1	7.2	1.2
	4	4.5	2.8	3.9	2.6	-4.3	8.4	8.9	7.6	8.3	0.4
2011	1	5.2	2.8	3.1	3.6	5.3	4.3	5.7	9.6	5.0	0.8
	2	1.8	2.7	4.4	4.1	5.9	3.8	3.7	1.5	3.4	1.1
	3	4.5	2.5	5.5	4.3	7.9	3.1	4.2	9.2	4.0	1.5
	4	3.1	2.2	6.3	4.2	1.7	4.3	5.1	10.5	5.2	1.5
2012	1	3.7	2.6	6.1	3.5	-4.4	4.2	5.0	1.2	3.8	-0.1
	2	2.7	2.5	6.1	3.2	-3.2	4.5	5.2	5.0	4.5	1.7
	3	3.9	2.7	5.4	3.1	-2.2	5.3	4.8	1.1	4.7	1.5
	4	3.2	3.1	4.1	3.2	5.9	5.9	5.9	1.0	5.2	1.8
2013	1	3.8	4.6	5.6	3.6	17.7	5.2	4.7	5.1	5.2	0.4
	2	3.5	4.7	4.3	3.6	18.9	5.1	5.3	1.4	4.6	0.9
	3	3.2	5.0	3.8	3.2	17.1	4.8	6.0	5.4	4.9	1.8
	4	7.3	4.7	6.0	2.5	16.3	3.7	5.0	6.7	4.1	0.9
2014	1	3.6	4.9	3.4	3.3	16.2	4.5	5.1	1.5	4.1	0.7

### **3.0 Balance of Payments**

Earnings from domestic exports declined by 5.3 per cent to KSh115.4 billion in the first quarter of 2014 from KSh 121.9 billion in the same period of 2013, as indicated in Table 3. The decline is attributed to decreases in export earnings from, mineral fuels and related products, machinery and transport equipment and food related products, during the first quarter of 2014. The earnings from tea exports declined by 20.1 per cent while earnings from coffee increased marginally, in the first quarter of 2014, compared to the same period in 2013. Import bill declined by 3.0 per cent to stand at KSh 345.2 billion in the first quarter of 2014 from KSh 356.0 billion recorded in the same period of 2013. This was as a result of decreases in the expenditure on inedible crude materials, mineral fuels and related products and manufactured goods. There was also a marginal decline in the expenditure on import of machinery and transport equipments. As a result, the volume of trade decreased by 1.7 per cent to KSh 479.7 billion in the period under review. Balance of trade improved slightly to a deficit of KSh 210.6 billion in the first quarter of 2014 compared to a deficit of KSh 224.0 billion recorded in 2013, in the same period.

The overall balance of payments position improved from a deficit of KSh 12.4 billion in the first quarter of 2013 to a surplus of KSh 8.1 billion during the quarter under review. The current account balance in the first quarter of 2014 recorded a deficit of KSh 109.4 billion compared to a deficit of KSh 122.7 billion in the first quarter of 2013, as presented in Table 4. The improvement in the current account balance could be attributed to the decline in the merchandise import bill and increase in the total export earnings. International trade in services posted an increase of 13.8 per cent from a surplus of KSh 44.2 billion in the first quarter of 2013 to KSh 50.3 billion in the quarter under review.

Current transfer inflows expanded by 25.4 per cent from KSh 60.6 billion during the first quarter of 2013 to KSh 76.0 billion in the first quarter of 2014. Remittances from the diaspora registered an increase of 9.9 per cent to stand at KSh 29.4 billion during the first quarter of 2014. Net inflows of the capital and financial account declined by 13.9 per cent from a surplus of KSh 99.1 billion in the first quarter of 2013 to a surplus of KSh 85.3 billion in a similar period of 2014. Gross official reserves increased from KSh 608.7 billion in the first quarter of 2013 to KSh 716.0 billion in the first quarter of 2014.

Table 3: Balance of Merchandise Trade

KSh Million

Year	Period	Domestic Exports	Re-Exports	Total Exports	Imports	Balance of Trade	Volume of Trade
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
	Q4	121,769.59	12,986.30	134,755.89	357,565.10	(222,809.21)	492,320.99
2013	Q1	121,909.80	10,063.33	131,973.13	355,998.14	(224,025.01)	487,971.26
	Q2	114,470.22	10,362.90	124,833.13	329,426.46	(204,593.33)	454,259.59
	Q3	111,681.85	11,955.77	123,637.62	356,168.64	(232,531.02)	479,806.26
	Q4	109,640.46	14,215.69	123,856.15	367,213.82	(243,357.67)	491,069.97
2014	Q1	115,406.46	19,136.65	134,543.11	345,179.09	(210,635.98)	479,722.20

**Table 4: QUARTERLY BALANCE OF PAYMENTS**  
In millions of KSh

ITEM	2012				2013				2014
	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar
<b>1. CURRENT ACCOUNT</b>	(81,118.87)	(63,302.13)	(105,431.98)	(141,945.31)	(122,736.73)	(95,350.48)	(107,657.22)	(120,719.71)	(109,350.92)
<b>1.1. GOODS</b>	<b>(197,562.35)</b>	<b>(219,911.31)</b>	<b>(218,276.61)</b>	<b>(222,809.21)</b>	<b>(224,025.01)</b>	<b>(204,593.33)</b>	<b>(232,531.02)</b>	<b>(243,357.67)</b>	<b>(210,635.98)</b>
<b>Exports (fob)</b>	130,779.53	123,658.32	128,612.29	134,755.89	131,973.13	124,833.13	123,637.62	123,856.15	134,543.11
Re-exports	7,153.91	9,522.84	8,475.51	12,986.30	10,063.33	10,362.90	11,955.77	14,215.69	19,136.65
Domestic exports	123,625.62	114,135.48	120,136.78	121,769.59	121,909.80	114,470.22	111,681.85	109,640.46	115,406.46
<b>Imports (cif)</b>	328,341.88	343,569.63	346,888.90	357,565.10	355,998.14	329,426.46	356,168.64	367,213.82	345,179.09
Government	3,265.75	3,784.75	4,730.94	2,361.99	1,889.59	2,767.90	3,339.32	2,093.94	1,893.36
Commercial	325,076.13	339,784.88	342,157.96	355,203.11	354,108.55	326,658.55	352,829.32	365,119.88	343,285.73
<b>1.2. SERVICES</b>	<b>66,956.58</b>	<b>107,232.63</b>	<b>64,971.71</b>	<b>38,996.20</b>	<b>44,151.34</b>	<b>50,159.79</b>	<b>59,199.37</b>	<b>75,316.12</b>	<b>50,252.28</b>
Credit	93,078.22	124,571.51	118,448.89	76,785.62	97,709.31	103,419.62	71,575.83	150,144.34	66,964.32
Debit	(26,121.64)	(17,338.88)	(53,477.18)	(37,789.42)	(53,557.96)	(53,259.83)	(12,376.46)	(74,828.22)	(16,712.04)
<i>of which</i>									
<i>Travel account</i>	12,213.05	13,171.84	11,938.56	12,322.08	13,691.50	18,966.19	18,121.84	4,984.13	12,842.85
<i>Credit</i>	15,129.40	16,595.25	15,239.99	14,364.54	19,797.51	19,402.35	18,560.49	18,083.47	15,819.94
<i>Debit</i>	(2,916.35)	(3,423.41)	(3,301.44)	(2,042.46)	(6,106.02)	(436.16)	(438.65)	(13,099.34)	(2,977.09)
<b>1.3. INCOME ACCOUNT</b>	<b>(1,941.08)</b>	<b>(3,583.13)</b>	<b>(4,364.53)</b>	<b>(2,703.40)</b>	<b>(3,490.52)</b>	<b>(1,209.89)</b>	<b>(3,058.88)</b>	<b>(21,411.46)</b>	<b>(25,000.60)</b>
Credit	2,615.87	2,188.02	2,279.82	2,850.17	3,230.35	5,876.86	3,191.75	2,690.45	303.10
Debit	(4,556.94)	(5,771.15)	(6,644.35)	(5,553.56)	(6,720.87)	(7,086.76)	(6,250.63)	(24,101.92)	(25,303.71)
<b>1.4. CURRENT TRANSFERS ACCOUNT</b>	<b>51,427.98</b>	<b>52,959.68</b>	<b>52,237.45</b>	<b>44,571.09</b>	<b>60,627.45</b>	<b>60,292.95</b>	<b>68,733.31</b>	<b>68,733.31</b>	<b>76,033.39</b>
Diaspora remittances	25,251.98	24,908.69	23,519.32	25,227.31	26,774.21	26,647.26	22,849.32	29,252.66	29,436.37
<b>2. CAPITAL &amp; FINANCIAL ACCOUNT</b>	65,665.89	56,766.11	87,338.97	61,795.08	99,127.89	74,767.32	78,361.59	143,320.00	85,308.44
2.1 Capital Account (capital transfers)	3,928.43	4,326.05	6,779.00	3,729.38	3,410.73	5,826.00	3,431.74	2,591.00	1,774.00
2.2 Financial Account net	61,737.47	52,440.06	80,559.97	58,065.70	95,717.16	68,941.32	74,929.85	140,729.00	83,534.44
2.2.1 Investments net	98,755.04	102,493.32	96,826.98	81,777.67	83,269.41	116,805.70	92,427.85	163,942.95	91,627.59
2.2.2 Change in official Reserves	(37,017.57)	(50,053.26)	(16,267.01)	(23,711.97)	12,447.75	(47,864.38)	(17,498.00)	(23,213.95)	(8,093.15)
<b>3. NET ERRORS AND OMISSIONS</b>	15,452.98	6,536.02	18,093.01	80,150.24	23,608.84	20,583.16	29,295.63	(22,600.29)	24,042.48
<i>Memorandum items</i>	511,538.04	595,979.24	615,229.46	615,408.81	608,732.41	679,457.53	689,598.33	732,182.47	716,044.07
<i>Gross Reserves</i>	388,833.10	444,969.15	466,977.24	489,960.34	472,516.58	523,699.67	545,063.60	566,206.80	575,489.26
<i>Official</i>	122,704.94	151,010.09	148,252.22	125,448.47	136,215.83	155,757.86	144,534.73	165,975.67	140,554.81
<i>Commercial Banks</i>									
<i>End period exchange rate against US \$</i>	82.95	84.23	85.28	86.03	85.64	86.01	86.65	86.31	86.49
<i>Average exchange rate against US \$</i>	84.14	84.12	84.28	85.58	86.72	84.61	87.26	86.15	86.33