



PRESS RELEASE

QUARTERLY GROSS DOMESTIC PRODUCT, 2ND QUARTER 2019/20

HIGHLIGHTS

ORIGINAL UNADJUSTED ESTIMATES

Year on Year Quarterly GDP for the Second Quarter (Q2) of 2019/20 grew by 5.6 percent compared to the growth of 7.3 percent (revised) registered in Q2 of the previous year. The GDP growth for Q2 2019/20 and previous quarters is shown in Graph 1 and Appendix Table 2.

Sectoral Performance

The Agriculture sector growth stood at 1.3 percent in Q2 of 2019/20 compared to a growth of 5.4 percent (revised) in Q2 of the previous year. Food Crops, Cash Crops, Livestock, and Forestry activities registered 1.6, -11.5, 7.9, and 6.8 percent growth in Q2 2019/20 respectively.

Year on Year Value added in Industry sector grew by 6.4 percent in Q2 of 2019/20 compared to a growth of 14.7 percent (revised) in Q2 of the previous year. The manufacturing sector registered a growth of 9.6 percent in Q2 2019/20 compared to 8.8 percent (revised) in Q2 2018/19.

The Services sector overall Value added grew by 6.6 percent in Q2 of 2019/20 compared to a growth of 4.6 percent (revised) in Q2 of the previous year. This growth was mainly driven by increases in Public Administration, and Administrative & support service activities which registered a growth of 11.1 percent and 8.6 percent in Q2 2019/20 respectively. (See Appendix Table 4)

SEASONALLY ADJUSTED ESTIMATES

Quarter on Quarter GDP grew by 0.3 percent in Q2 2019/20 compared to the growth of 1.0 percent (revised) in the First Quarter (Q1) of 2019/20. The GDP growth rates for the quarters are shown in Graph 2 and Appendix Table 8.

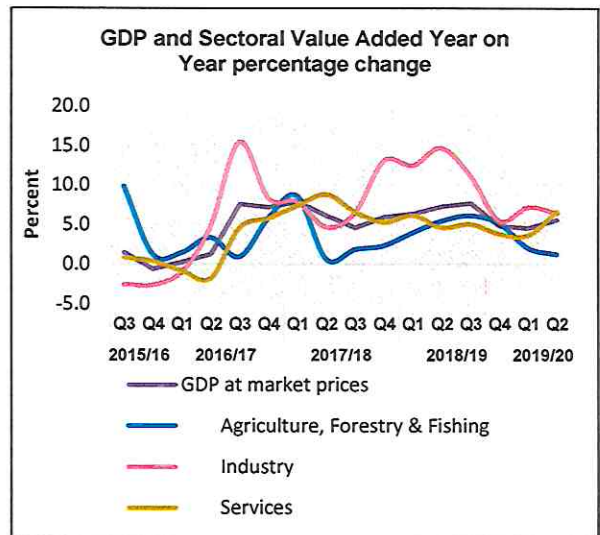
Sectoral Performance

On a quarter to quarter basis, Value added in Agriculture sector grew by 0.2 percent in Q2 of 2019/20 compared to a growth of 1.9 percent (revised) registered in the First Quarter (Q1) of 2019/20.

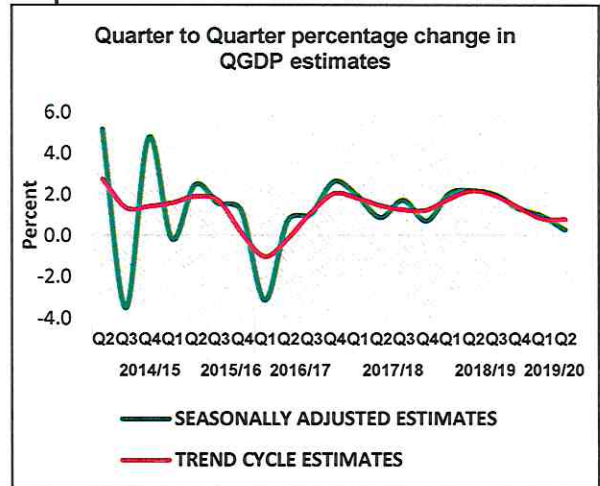
The Industry sector grew by 0.1 percent in Q2 of 2019/20 compared to a 1.0 percent (revised) decline in Q1 of 2019/20.

The Services sector Value added grew by 0.3 percent in Q2 of 2019/20 compared to a growth of 1.5 percent (revised) in Q1 of 2019/20.

Graph 1



Graph 2



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March 30th, 2020

QUARTERLY GROSS DOMESTIC PRODUCT (QGDP) Q2 2019/20

EXPLANATORY NOTES

ORIGINAL UNADJUSTED ESTIMATES

Year on Year real Quarterly GDP growth stood at 5.6 percent in Q2 of 2019/20. In value terms, the economy expanded from 30,235 billion shillings in Q2 2018/19 to 31,923 billion shillings in Q2 2019/20.

Sectoral Performance

Agriculture

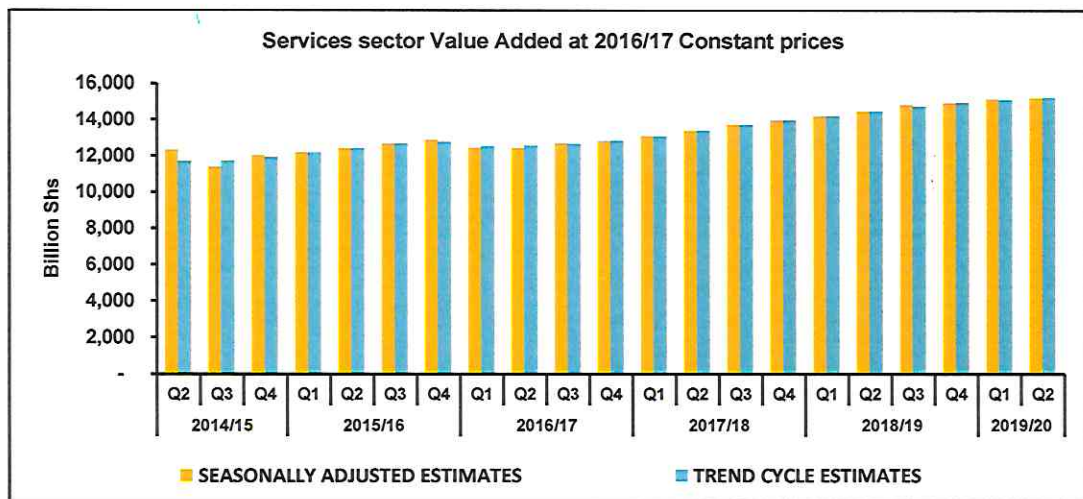
Year on Year Value added in the Agriculture sector was recorded at 6,572 billion shillings in Q2 2019/20 compared to 6,491 billion shillings recorded in Q2 of 2018/19. This was mainly due to an increase in food crop growing activities which grew from 3,238 billion shillings in Q2 2018/19 to 3,290 billion shillings in Q2 2019/20. Cash Crop growing activities registered a decline from 760 billion shillings in Q2 2018/19 to 673 billion shillings in Q2 2019/20. This was due to a decline in value added for Coffee and Tea growing activities.

Industry

Year on Year Industry sector Value Added grew by 6.4 percent in Q2 2019/20 compared to the growth of 14.7 percent recorded in Q2 of the previous year. The main drivers of this growth were Manufacturing and Construction activities which grew to 5,296 billion shillings and 2,169 billion shillings in Q2 2019/20 compared to 4,833 billion shillings and 2,035 billion shillings in Q2 2018/19 respectively.

Services

The Value added for the Services sector grew by 6.6 percent in Q2 2019/20, compared to the growth of 4.6 percent in Q2 of the previous year. This growth was driven mainly by increases in Public Administration, and Administrative & support service activities which registered a growth of 11.1 percent and 8.6 percent in Q2 2019/20 respectively.



Taxes on Products and Subsidies

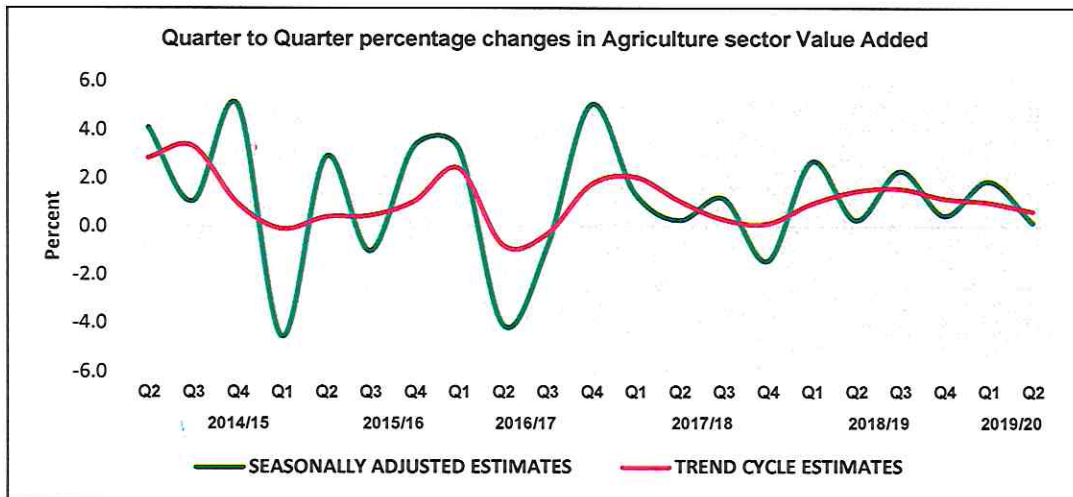
Taxes on Products and Subsidies grew by 9.1 percent from 2,036 billion shillings in Q2 2018/19 to 2,222 billion shillings in Q2 2019/20. This was due to a decline in the customs duty for mainly petroleum products and value added tax on alcoholic beverages.

SEASONALLY ADJUSTED ESTIMATES

Quarter on Quarter real QGDP grew by 0.3 percent in Q2 of 2019/20 compared to 1.0 percent growth in Q1 2019/20. In value terms, the economy grew from 30,042 billion shillings in Q1 2019/20 to 30,124 billion shillings in Q2 2019/20.

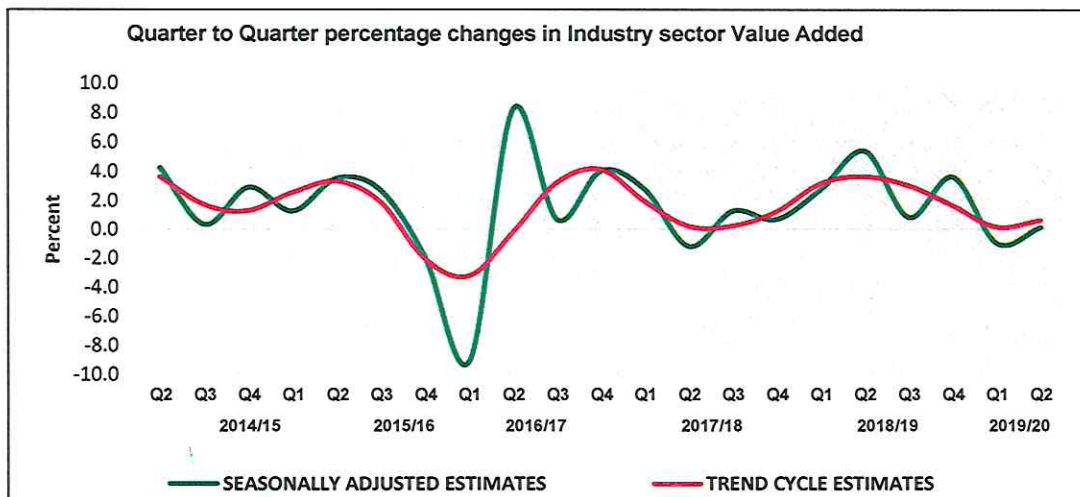
Agriculture

The Agriculture sector Value added grew by 0.2 percent in Q2 2019/20 compared to a 1.9 percent growth registered in Q1 2019/20. The Valued Added for the sector increased from 7,011 billion shillings in Q1 2019/20 to 7,022 billion shillings in Q2 2019/20. Notable growth was observed in the livestock rearing activities.



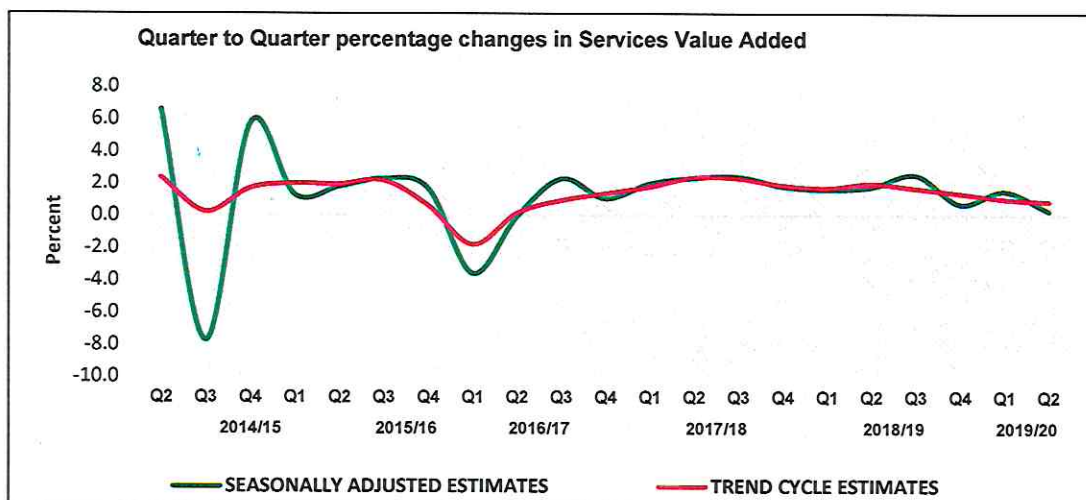
Industry

Valued Added for the Industry sector grew by 0.1 percent in Q2 2019/20 compared to a decline of 1.0 percent registered in Q1 2019/20. Industry activities value added grew from 7,172 billion shillings in Q1 2019/20 to 7,179 billion shillings in Q2 2019/20.



Services

Valued Added for the Service activities grew by 0.3 percent in Q2 2019/20 compared to a growth of 1.5 percent registered in Q1 2019/20. The Services sector value added slightly grew from 15,132 billion shillings in Q1 2019/20 to 15,175 billion shillings in Q2 2019/20.



Taxes on Products and Subsidies

Valued Added for Taxes on Products and Subsidies grew by 2.8 percent in Q2 2019/20 compared to a growth of 0.6 percent registered in Q1 2019/20. Taxes on Products and Subsidies increased from 728 billion shillings in Q1 2019/20 to 748 billion shillings in Q2 2019/20.

Notes:

All these estimates have been benchmarked to the 2016/17 AGDP rebased series.

Next Release:

June 2020