



PRESS RELEASE

QUARTERLY GROSS DOMESTIC PRODUCT, 2ND QUARTER 2018/19

HIGHLIGHTS

ORIGINAL UNADJUSTED ESTIMATES

Year on Year Quarterly GDP growth for the Second Quarter (Q2) of 2018/19 stood at 6.6 percent compared to the growth of 5.9 percent (revised) registered in Q2 of the previous year. The GDP growth for Q2 2018/19 and previous quarters is shown in Graph 1 and Table 2.

Sectoral Performance

Year on Year Value added in Agriculture sector is estimated to have increased by 4.5 percent in Q2 of 2018/19 compared to a growth of 3.3 percent in the Q2 of the previous year. This was mainly due to an increase in Food and Cash Crop growing activities that grew at 3.6 percent and 6.4 percent in Q2 2018/19 respectively.

Year on Year Value added in Industry sector grew by 3.5 percent in Q2 of 2018/19 compared to a growth of 6.1 percent in Q2 of the previous year. This growth was mainly driven by Manufacturing and Construction activities.

The Services sector Year on Year Value added grew by 8.4 percent in Q2 of 2018/19 compared to an earlier growth of 8.3 percent (revised) in Q2 of the previous year. This growth was driven by Trade & Repair, Information & Communication, Public Administration, Education and Health activities

See Table 4 in Appendix for more details on the sectoral performance.

SEASONALLY ADJUSTED ESTIMATES

Quarter on Quarter GDP grew by 1.2 percent in Q2 2018/19 compared to the growth of 2.2 percent (revised) in the First Quarter (Q1) of 2018/19. The GDP growth for Q2 2018/19 and previous quarters is shown in Graph 2 and Table 8.

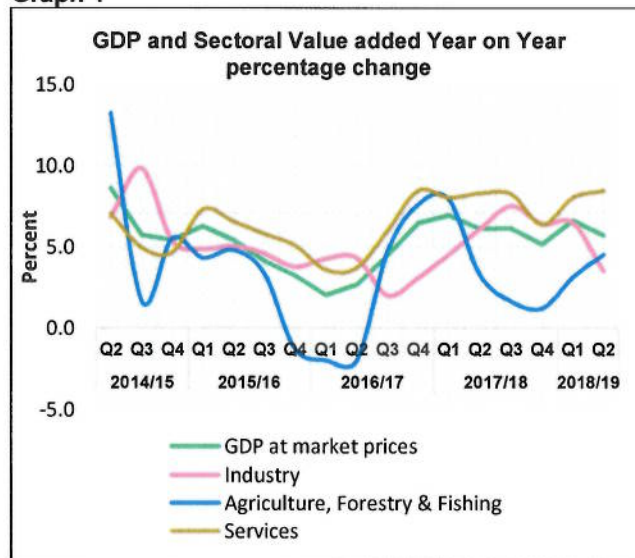
Sectoral Performance

Value added in Agriculture sector grew by 1.4 percent in Q2 of 2018/19 from growth of 1.4 percent (revised) in the First Quarter (Q1) of 2018/19.

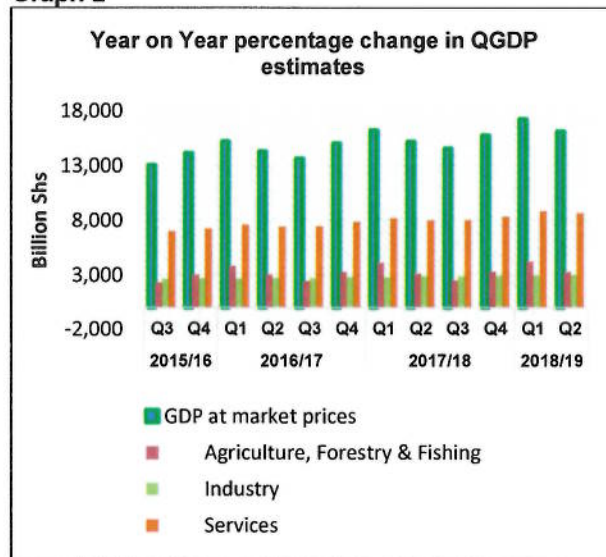
In addition, Value added in Industry sector declined by 1.6 percent in Q2 of 2018/19 compared to an increase of 2.4 percent (revised) in Q1 of 2018/19.

The Services sector Value added grew by 1.7 percent in Q2 of 2018/19 compared to an earlier growth of 3.0 percent (revised) in Q1 of 2018/19.

Graph 1



Graph 2



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Ag. Executive Director
March 27th, 2019

QUARTERLY GROSS DOMESTIC PRODUCT (QGDP) Q2 2018/19

EXPLANATORY NOTES

ORIGINAL UNADJUSTED ESTIMATES

Year on Year real Quarterly GDP (QGDP) growth stood at 6.6 percent in Q2 of 2018/19. In value terms, the economy expanded from 15,109 billion shillings in Q2 2017/18 to 16,102 billion shillings in Q2 2018/19.

Sectoral Performance

Agriculture

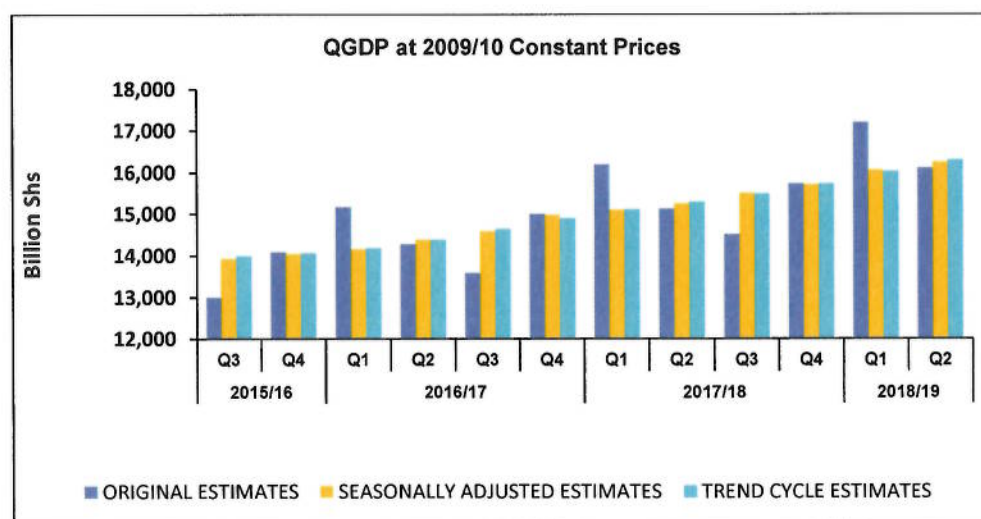
Year on Year Value added in the Agriculture sector grew by 4.5 percent in Q2 2018/19 compared to the 3.3 percent (revised) growth recorded in Q2 of the previous year. This was mainly due to an increase in Value added for Food and Cash Crop growing activities as a result of favourable weather conditions.

Industry

Year on Year Industry sector Value Added grew by 3.5 percent in Q2 2018/19 compared to the growth of 6.1 percent recorded in Q2 of the previous year. The main drivers of this growth were Manufacturing and Construction activities which grew by 4.4 percent and 4.2 percent respectively during the Quarter. The growth was on account of an increase in Food processing activities.

Services

Year on Year Value added for the Services sector grew by 8.4 percent in Q2 2018/19, compared to the growth of 8.3 percent in Q2 of the previous year. The growth was as a result of the good performance of Trade and Repairs, Information & Communication, Public Administration, and Health services that grew by 6.6 percent, 8.6 percent, 7.9 percent and 11.4 percent respectively. This growth was driven by an increase in imported commodities and government expenditure on compensation of employees.



Taxes on products and subsidies

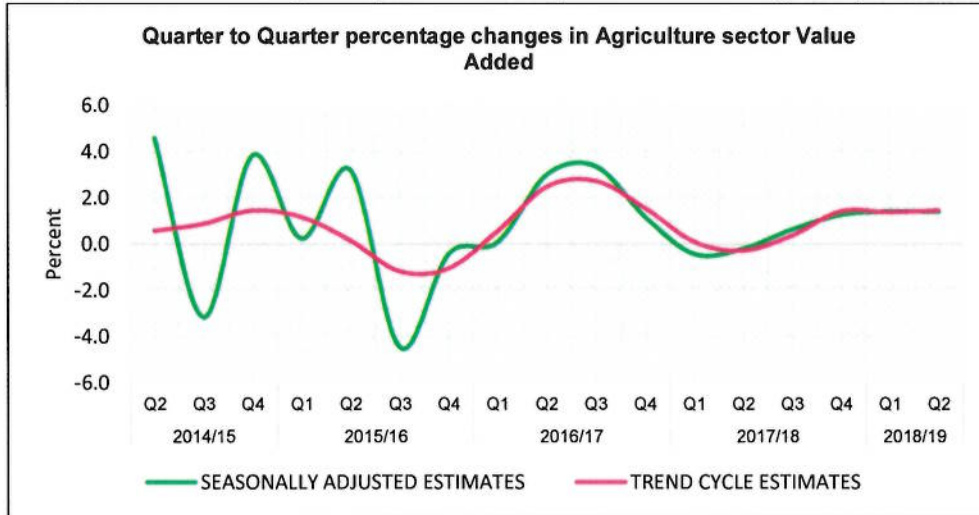
Taxes on products and subsidies grew by 6.8 percent from 1,170 billion shillings in Q1 2018/19 to 1,249 billion shillings in Q1 2017/18 due to increase in import duty.

SEASONALLY ADJUSTED ESTIMATES

Quarter on Quarter real QGDP grew by 1.2 percent in Q2 of 2018/19 compared with 2.2 percent growth in Q1 2018/19. In value terms, the economy expanded from 16,051 billion shillings in Q1 2018/19 to 16,241 billion shillings in Q2 2018/19.

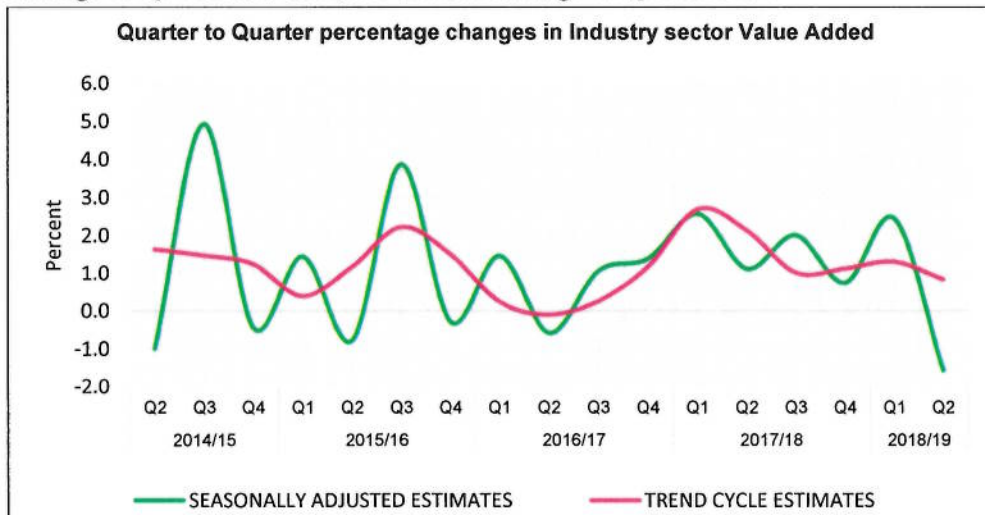
Agriculture

Value added in the Agriculture sector (21.4 percent share to total GDP) grew by 1.4 percent from 3,320 billion shillings in Q1 2018/19 to 3,366 billion shillings in Q2 2018/19.



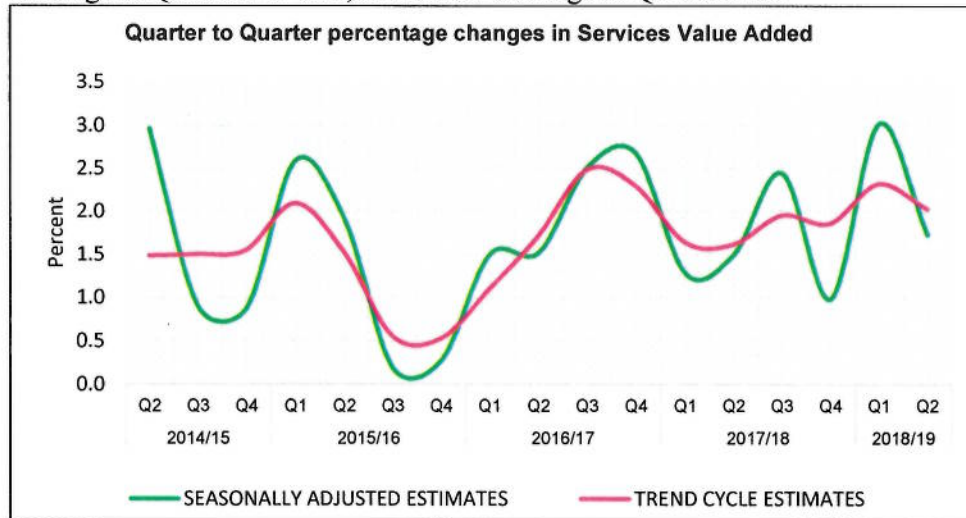
Industry

Industry activities value added (19.6 percent share to total GDP) declined from 2,981 billion shillings in Q1 2018/19 to 2,935 billion shillings in Q2 2018/19.



Services

The Services sector value added (49.8 percent share to total GDP) grew from 8,544 billion shillings in Q1 2018/19 to 8,691 billion shillings in Q2 2018/19.



Taxes on products and subsidies

Taxes on products and subsidies increased by 3.6 percent from 1,214 billion shillings in Q1 2018/19 to 1,241 billion shillings in Q2 2018/19.

Notes:

Original (Unadjusted) estimates have been benchmarked to the revised Annual GDP estimates for FY 2017/18 made in October 2018.

Next Release:

June 2019