



PRESS RELEASE

QUARTERLY GROSS DOMESTIC PRODUCT, 3RD QUARTER 2020/2021

HIGHLIGHTS

ORIGINAL UNADJUSTED ESTIMATES CONSTANT PRICES (2016/17)

Year on Year Quarterly Gross Domestic Product (QGDP) for the Third Quarter (Q3) of 2020/2021 grew by 6.2 percent compared to the growth of 0.7 percent (revised) registered in Q3 of the previous year.

Sectoral Performance

The Agriculture sector declined by 2.8 percent in Q3 of 2020/2021 compared to a decline of 1.7 percent (revised) in Q3 of the previous year. Cash Crops and Food Crops activities registered 7.2 and -13.3 percent in Q3 2020/2021 respectively.

Year on Year Value added in Industry sector grew by 11.6 percent in Q3 of 2020/2021 compared to a growth of 2.1 percent (revised) in Q3 of the previous year. The construction sector registered a growth of 14.2 percent in Q3 2020/2021 compared to 5.8 percent (revised) in Q2 2019/2020.

The Services sector overall Value added grew by 6.6 percent in Q3 of 2020/2021 compared to a growth of 1.1 percent (revised) in Q3 of the previous year. This growth was mainly driven by decrease in Information & Communication and Public Administration activities which registered growth of 37.1 and 36.8 percent in Q3 2020/2021 respectively. The GDP growth for Q3 2020/2021 and previous quarters is shown in Graph 1 and Tables in the Appendix.

ORIGINAL UNADJUSTED ESTIMATES

CURRENT PRICES

QGDP in current prices for the Second Quarter (Q2) of 2020/2021 is estimated to have grown to 37,988 billion shillings from 33,739 billion shillings in Q3 of 2019/2020.

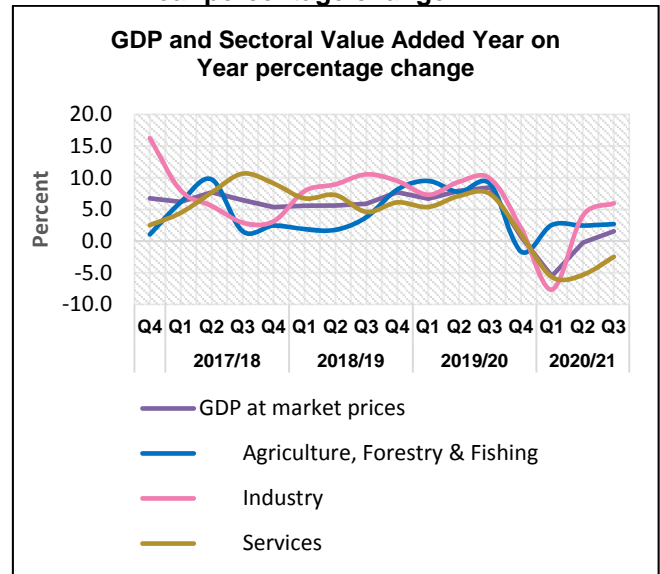
Sectoral Contribution

In terms of sector contribution to overall QGDP, the Agriculture sector contributed 18.1 percent in Q3 of 2020/2021 from the 20.2 percent registered in Q3 of 2019/2020, which is a 2.1 percentage point decline in the share to QGDP.

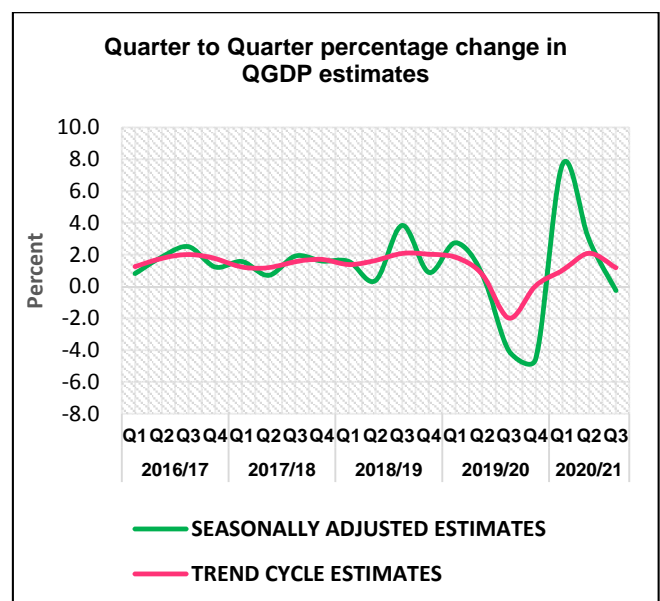
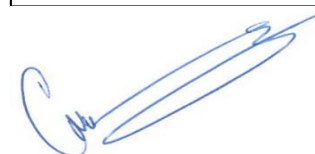
The contribution of the Industry sector was 29.7 percent in Q3 of 2020/2021 compared to a 28.4 percent contribution in Q3 of 2019/2020.

The Services sector continued to be the biggest contributor to QGDP, representing 44.1 percent in Q3 of 2020/2021 compared to 43.6 percent in Q3 of 2019/2020

Graph 1: GDP and Sectoral Value Added Year on Year percentage change



Graph 2: Quarter to Quarter percentage change in QGDP estimates

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June 30th, 2021

QUARTERLY GROSS DOMESTIC PRODUCT (QGDP) Q3 2020/2021

EXPLANATORY NOTES

ORIGINAL UNADJUSTED ESTIMATES

Year on Year real Quarterly GDP grew by 6.2 percent in Q3 of 2020/2021. In value terms, the economy expanded from 29,985 billion shillings in Q3 2019/2020 to 31,832 billion shillings in Q3 2020/2021.

Sectoral Performance

Agriculture

Year on Year Value added in the Agriculture sector was recorded at 5,676 billion shillings in Q3 2020/2021 compared to 5,837 billion shillings recorded in Q3 of 2019/2020. This was a decline in the value added, mainly due to a decline in Food crop growing activities registered from 2,201 billion shillings in Q3 2019/2020 to 1,908 billion shillings in Q3 2020/2021. This was due to a decline in the bananas growing activities. In addition, Fishing activities declined from 560 billion shillings in Q3 2019/2020 to 512 billion shillings in Q3 2020/2021.

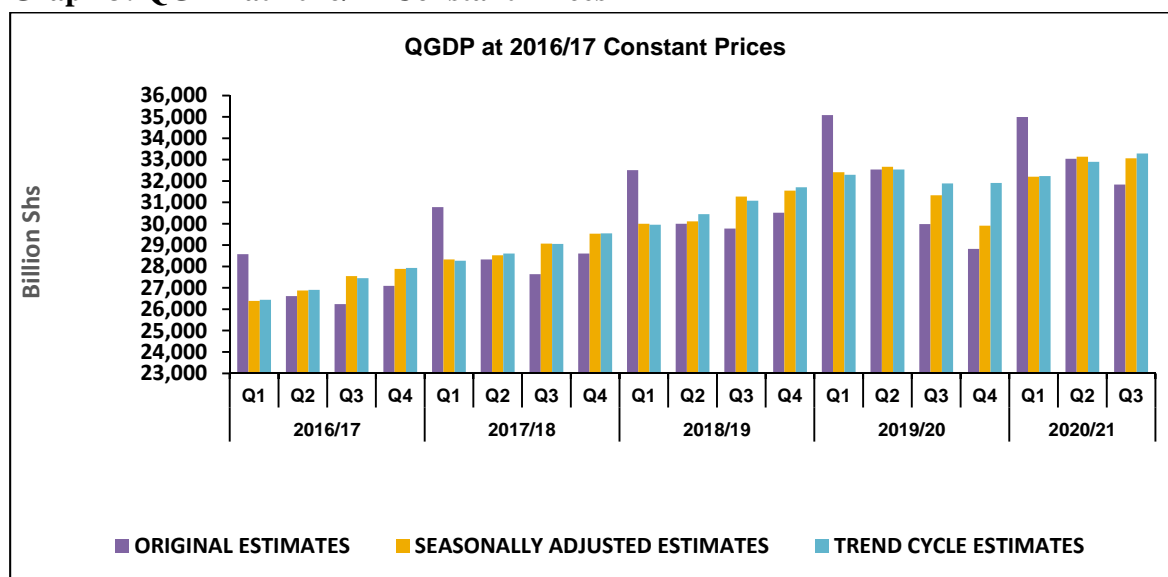
Industry

Year on Year Industry sector Value Added grew by 11.6 percent in Q3 2020/2021 compared to the growth of 2.1 percent recorded in Q3 of the previous year. The main drivers of this growth were Manufacturing activities which grew to 5,349 billion shillings compared to 4,798 billion shillings in Q3 2019/2020 and Construction activities which grew to 2,271 billion shillings in Q3 2020/2021 compared to 1,988 billion shillings in Q3 2019/2020. There was an increase in the manufacturing of paint, cement.

Services

The Value added for the Services sector grew by 6.6 percent in Q3 2020/2021 compared to the growth of 1.1 percent in Q3 of the previous year. This was mainly due to growth in Information & Communication activities which grew by 37.1 and Public Administration activities which grew by 36.8 percent in Q3 2020/2021. However, Education activities declined by 30.3 percent in Q3 2020/2021 compared to a decline of 0.9 percent in Q3 2019/2020.

Graph 3: QGDP at 2016/17 Constant Prices



Taxes on Products and Subsidies

Taxes on Products and Subsidies grew by 6.1 percent from 2,123 billion shillings in Q3 2019/2020 to 2,252 billion shillings in Q3 2020/2021. This was due to an increase in the customs duty for mainly petroleum products and value added tax on imported goods.

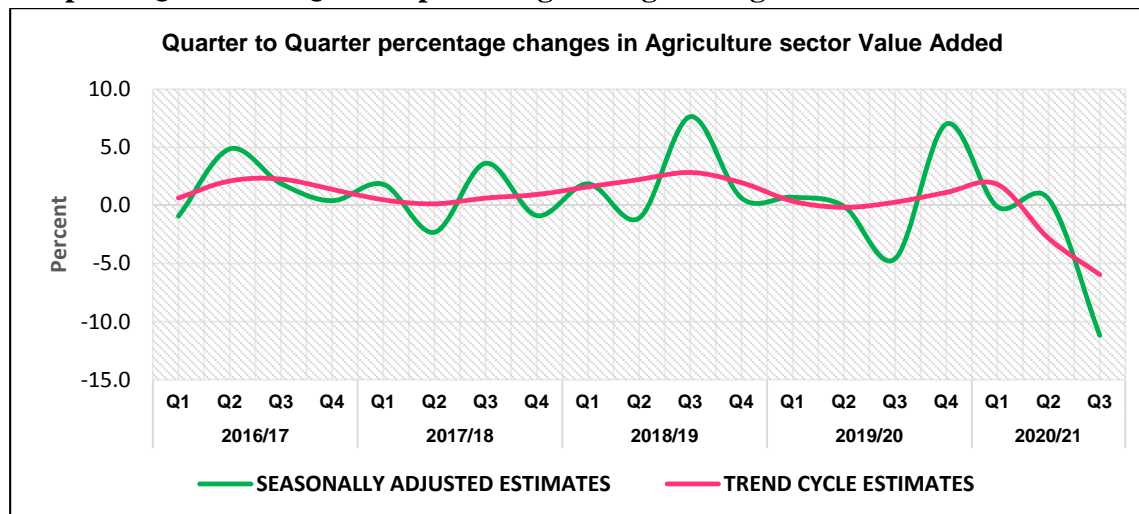
SEASONALLY ADJUSTED ESTIMATES

Quarter on Quarter real QGDP declined by 0.2 percent in Q3 of 2020/2021 compared to a 2.9 percent growth in Q2 2020/21. In value terms, the economy declined from 33,140 billion shillings in Q2 2020/21 to 33,059 billion shillings in Q3 2020/2021.

Agriculture

The Agriculture sector Value added declined by 11.2 percent in Q3 2020/2021 compared to a 0.6 percent growth registered in Q2 2020/21. The Valued Added for the sector declined from 7,532 billion shillings in Q2 2020/21 to 6,691 billion shillings in Q3 2020/21. This was due to a growth in food crop growing activities.

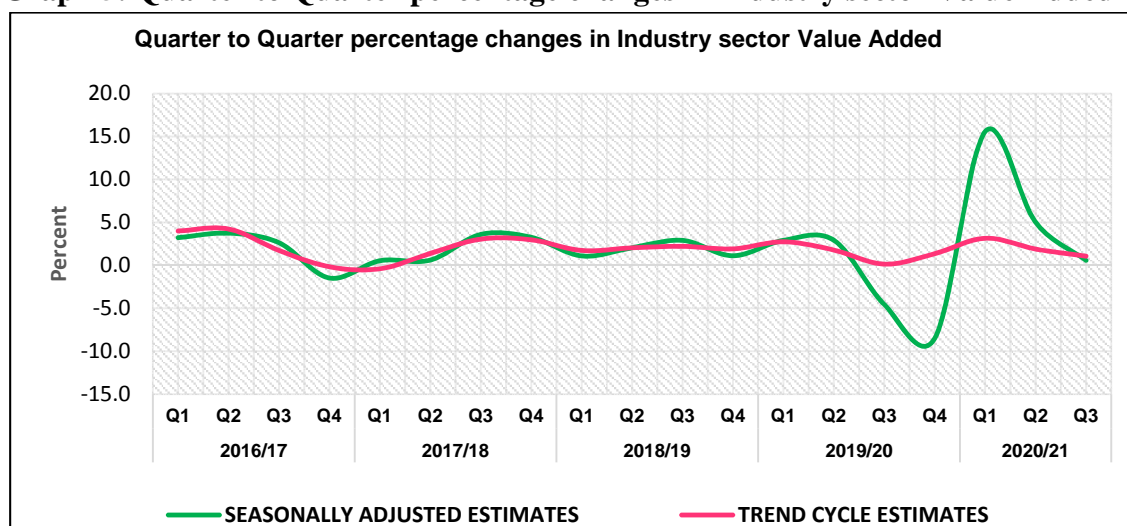
Graph 4: Quarter to Quarter percentage changes in Agriculture sector Value Added



Industry

Valued Added for the Industry sector increased by 0.6 percent in Q3 2020/2021 compared to a growth of 5.0 percent registered in Q2 2020/21. Industry activities value added grew from 9,315 billion shillings in Q2 2020/21 to 9,369 billion shillings in Q3 2020/2021. This was due to a growth in construction and manufacturing activities.

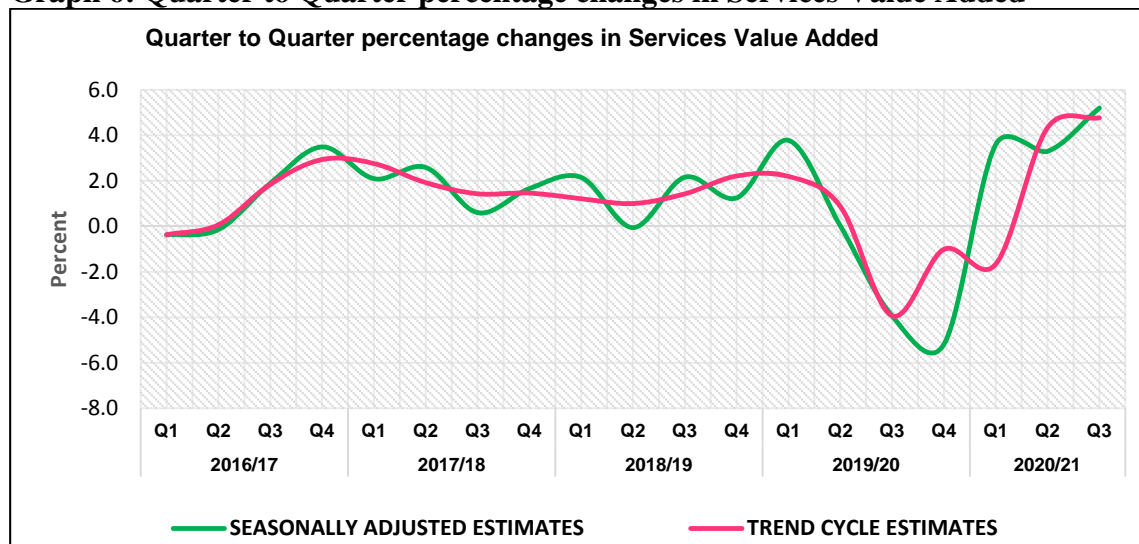
Graph 5: Quarter to Quarter percentage changes in Industry sector Value Added



Services

Valued Added for the Service sector grew by 5.2 percent in Q3 2020/2021 compared to a growth of 3.3 percent registered in Q2 2020/21. The Services sector value added increased from 13,982 billion shillings in Q2 2020/21 to 14,709 billion shillings in Q3 2020/2021. This was due to a growth in Accommodation & Food Service, Public Administration and Education activities.

Graph 6: Quarter to Quarter percentage changes in Services Value Added



Taxes on Products and Subsidies

Valued Added for Taxes on Products and Subsidies declined by 0.9 percent in Q3 2020/2021 compared to a growth of 0.3 percent registered in Q2 2020/21. Taxes on Products and Subsidies declined from 2,311 billion shillings in Q2 2020/21 to 2,290 billion shillings in Q3 2020/2021. This was due to a decline in the customs duty and value added tax on imported goods.

Notes:

All these estimates have been benchmarked to the 2020/2021 Preliminary AGDP Estimates.

Data Updates; Government Finance Statistics, Annual Trade Statistics, Consumer Price Index

Benchmarking: They are methods in national accounts used to derive quarterly series that are consistent with their corresponding annual benchmarks and at the same time preserve the short-term movements of quarterly economic indicators.

Next Release will be by September 2021