



PRESS RELEASE

QUARTERLY GROSS DOMESTIC PRODUCT, 1ST QUARTER 2019/20

HIGHLIGHTS

ORIGINAL UNADJUSTED ESTIMATES

Year on Year Quarterly GDP growth for the First Quarter (Q1) of 2019/20 stood at 2.7 percent compared to the growth of 6.0 percent (revised) registered in Q1 of the previous year. The GDP growth for Q1 2019/20 and previous quarters is shown in Graph 1 and Appendix Table 2.

Sectoral Performance

The Agriculture sector stood at 0.0 percent in Q1 of 2019/20 compared to a growth of 6.5 percent (revised) in Q1 of the previous year. Food Crop, Cash Crop, Livestock, and Forestry activities registered -2.7, -6.6, 7.3, and -5.1 percent growth in Q1 2019/20 respectively.

Year on Year Value added in Industry sector grew by 9.5 percent in Q1 of 2019/20 compared to a growth of 9.3 percent (revised) in Q1 of the previous year. This growth was mainly driven by manufacturing activities with a growth of 8.9 percent in Q1 2019/20 compared to 7.2 percent (revised) in Q1 2018/19.

The Services sector overall Value added grew by 1.3 percent in Q1 of 2019/20 compared to a growth of 6.8 percent (revised) in Q1 of the previous year. This growth was driven mainly by increases in Public Administration, and Education activities which registered a growth of 9.0 percent and 4.8 percent in Q1 2019/20 respectively. (See Appendix Table 4)

SEASONALLY ADJUSTED ESTIMATES

Quarter on Quarter GDP declined by 0.7 percent in Q1 2019/20 compared to the growth of 2.3 percent (revised) in the Fourth Quarter (Q4) of 2018/19. The GDP growth rates for the quarters are shown in Graph 2 and Appendix Table 8.

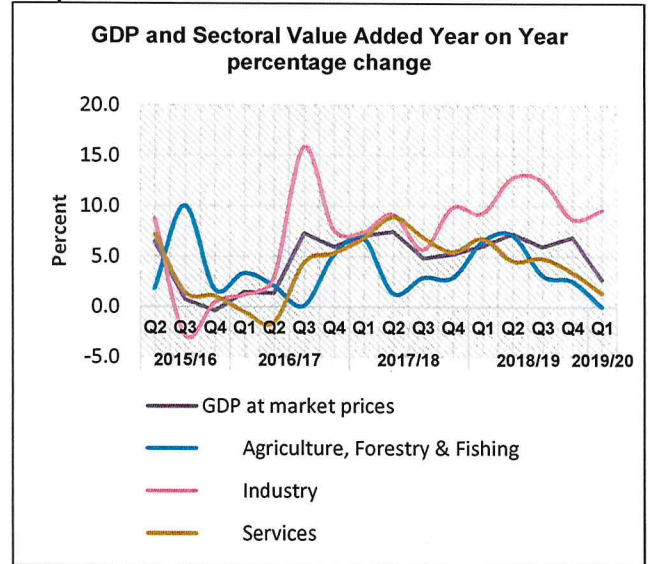
Sectoral Performance

On a quarter to quarter basis, Value added in Agriculture sector grew by 0.2 percent in Q1 of 2019/20 compared to a growth of 2.7 percent (revised) registered in the Fourth Quarter (Q4) of 2018/19.

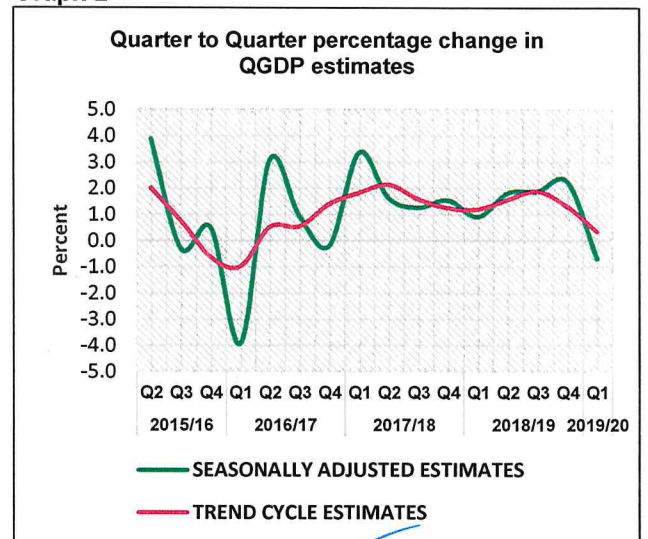
The Industry sector declined by 0.4 percent in Q1 of 2019/20 compared to a 2.4 percent (revised) increase in Q4 of 2018/19.

The Services sector Value added registered a growth of 1.0 percent in Q1 of 2019/20 compared to a decline of 0.1 percent (revised) in Q4 of 2018/19.

Graph 1



Graph 2




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December 16th, 2019

QUARTERLY GROSS DOMESTIC PRODUCT (QGDP) Q1 2019/20

EXPLANATORY NOTES

ORIGINAL UNADJUSTED ESTIMATES

Year on Year real Quarterly GDP growth stood at 2.7 percent in Q1 of 2019/20. In value terms, the economy expanded from 32,697 billion shillings in Q1 2018/19 to 33,583 billion shillings in Q1 2019/20.

Sectoral Performance

Agriculture

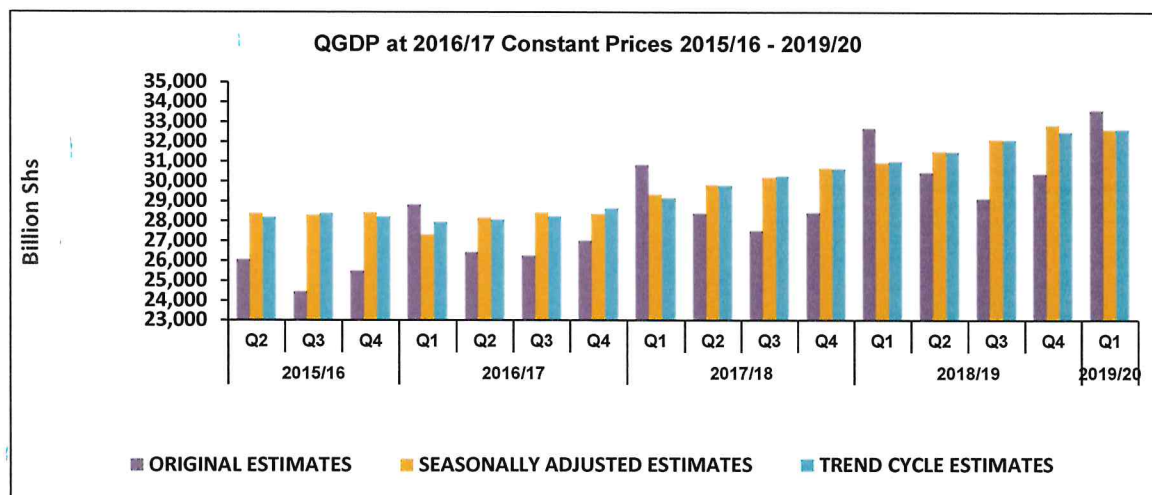
Year on Year Value added in the Agriculture sector was recorded at 0.0 percent in Q1 2019/20 compared to 6.5 percent (revised) growth recorded in Q1 of 2018/19. This was mainly due to a decrease in Cash Crop growing activities that registered 669 billion shillings in Q1 2019/20 compared to 717 billion shillings in Q1 2018/19. Food crop growing registered a decline from 6,093 billion shillings in Q1 2018/19 to 5,931 billion shillings in Q1 2019/20.

Industry

Year on Year Industry sector Value Added grew by 9.5 percent in Q4 2019/20 compared to the growth of 9.3 percent recorded in Q1 of the previous year. The main drivers of this growth were Manufacturing and Construction activities which grew to 4,973 billion shillings and 2,101 billion shillings in Q1 2019/20 compared to 4,567 billion shillings and 1,970 billion shillings in Q1 2018/19 respectively.

Services

The Value added for the Services sector grew by 1.3 percent in Q1 2019/20, compared to the growth of 6.8 percent in Q1 of the previous year. This was attributed to an increase in Public Administration, and Education activities which registered growth of 9.0 percent and 4.8 percent in Q1 2019/20 respectively.



Taxes on Products and Subsidies

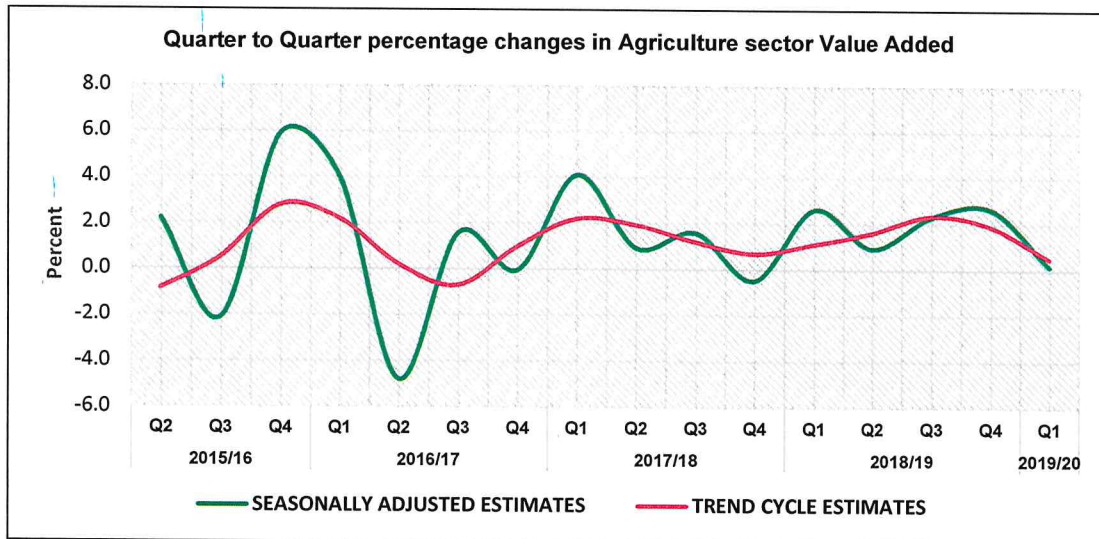
Taxes on Products and Subsidies dropped by 3.9 percent from 1,786 billion shillings in Q1 2018/19 to 1,716 billion shillings in Q1 2019/20 due to the decline in the customs duty for mainly petroleum products.

SEASONALLY ADJUSTED ESTIMATES

Quarter on Quarter real QGDP declined by 0.7 percent in Q1 of 2019/20 compared to 2.3 percent growth in Q4 2018/19. In value terms, the economy slightly declined from 32,851 billion shillings in Q4 2018/19 to 32,626 billion shillings in Q1 2019/20.

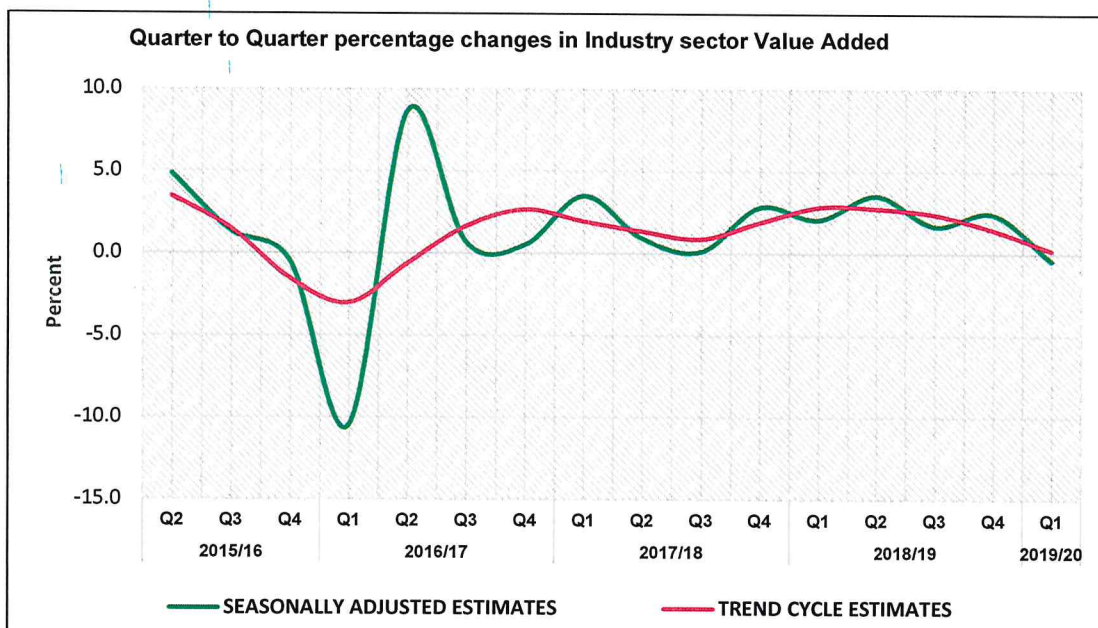
Agriculture

The Agriculture sector Value added grew by 0.2 percent in Q1 2019/20 compared to a 2.7 percent growth registered in Q4 2018/19. The Valued Added for the sector increased from 6,886 billion shillings in Q4 2018/19 to 6,898 billion shillings in Q1 2019/20. Notable reductions were observed in the Cash crop growing activities, while positive growth was observed in the Food crop growing activities.



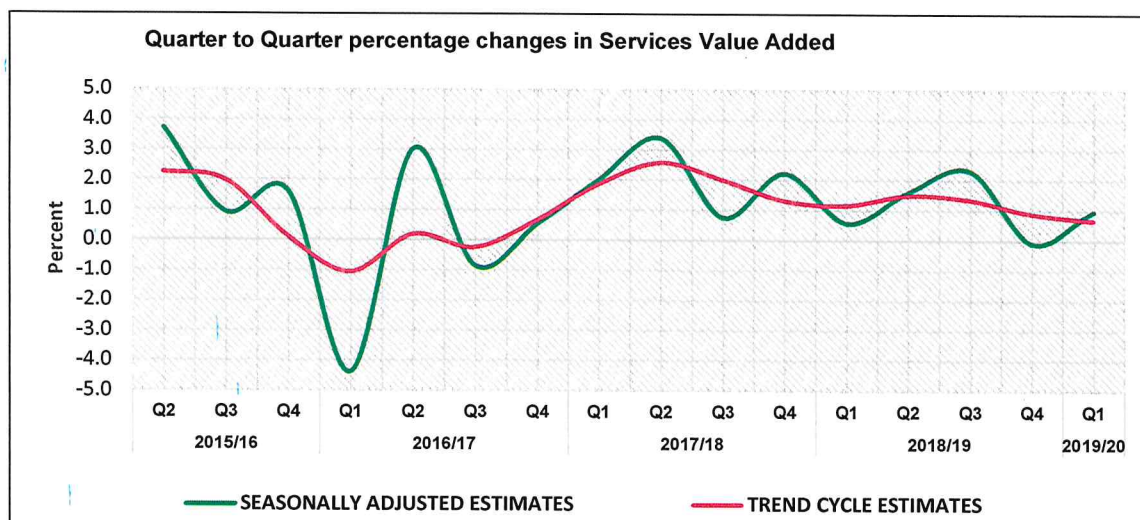
Industry

Valued Added for the Industry sector declined by 0.4 percent in Q1 2019/20 compared to a positive growth of 2.4 percent registered in Q4 2018/19. Industry activities value added declined from 10,699 billion shillings in Q4 2018/19 to 10,655 billion shillings in Q1 2019/20.



Services

Valued Added for the Service activities grew by 0.1 percent in Q1 2019/20 compared to a decline of 0.1 percent registered in Q4 2018/19. The Services sector value added slightly grew from 13,168 billion shillings in Q4 2018/19 to 13,297 billion shillings in Q1 2019/20.



Taxes on Products and Subsidies

Valued Added for Taxes on Products and Subsidies declined by 15.4 percent in Q1 2019/20 compared to a growth of 16.9 percent registered in Q4 2018/19. Taxes on Products and Subsidies declined from 2,098 billion shillings in Q4 2018/19 to 1,776 billion shillings in Q1 2019/20. This decline was attributed to a drop in customs duty for petroleum products and VAT on imported goods.

Notes:

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

Next Release:

March 2020