



Outline

Overview of the Economy

RBFs Objectives – Inflation & Foreign Reserves

Trade

Snapshot of Agriculture sector

Summary



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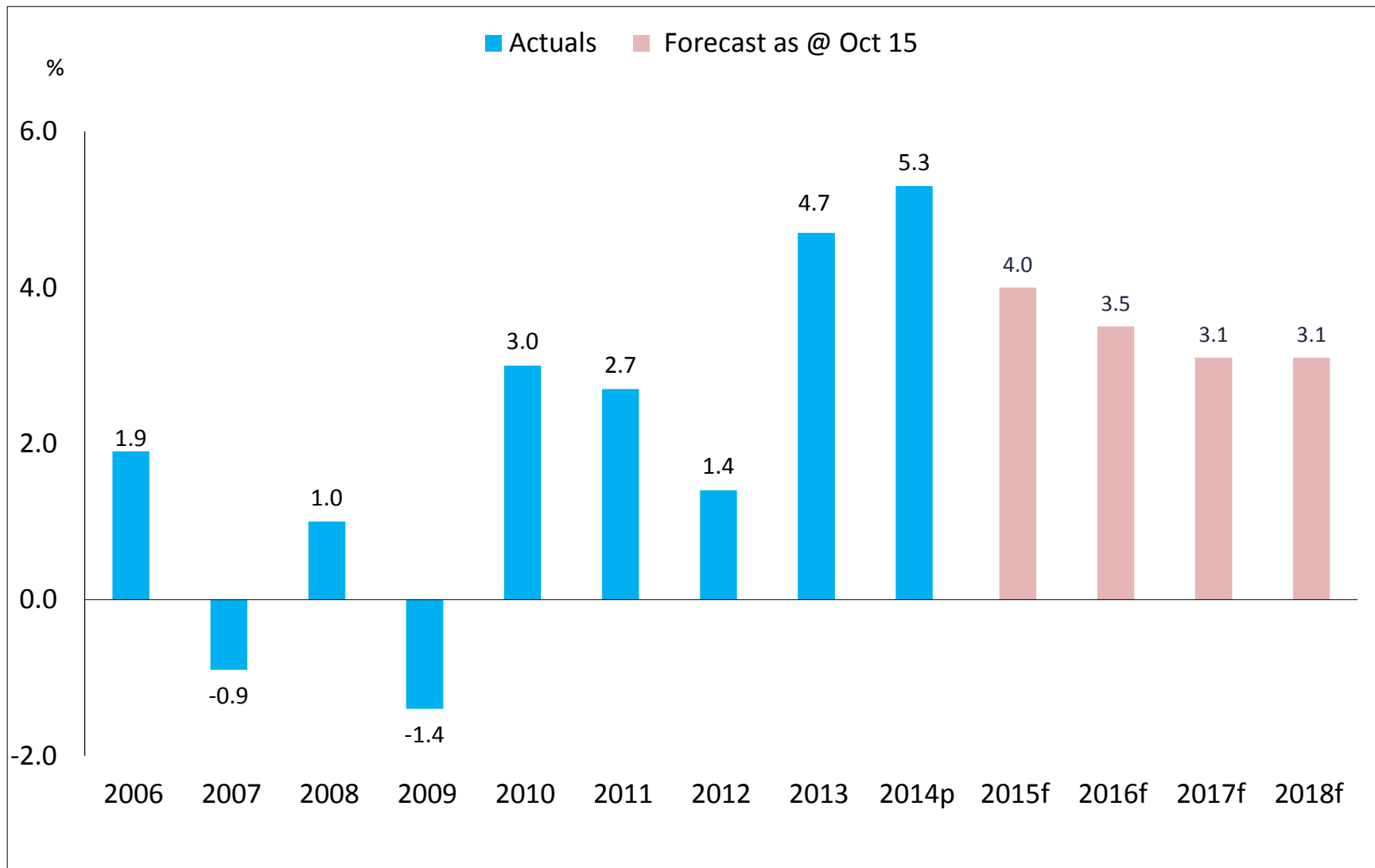
Snapshot of Agriculture sector

Summary



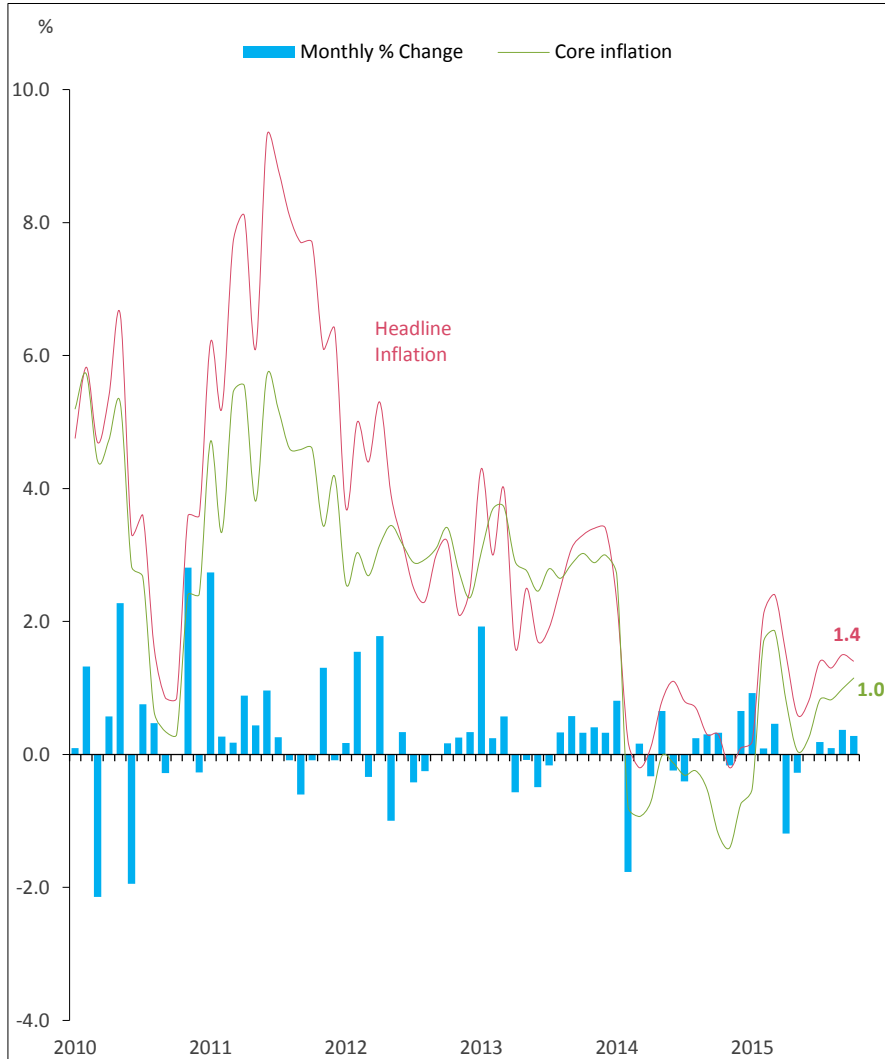
GDP GROWTH

Domestic economy is expected to grow despite subdued global growth

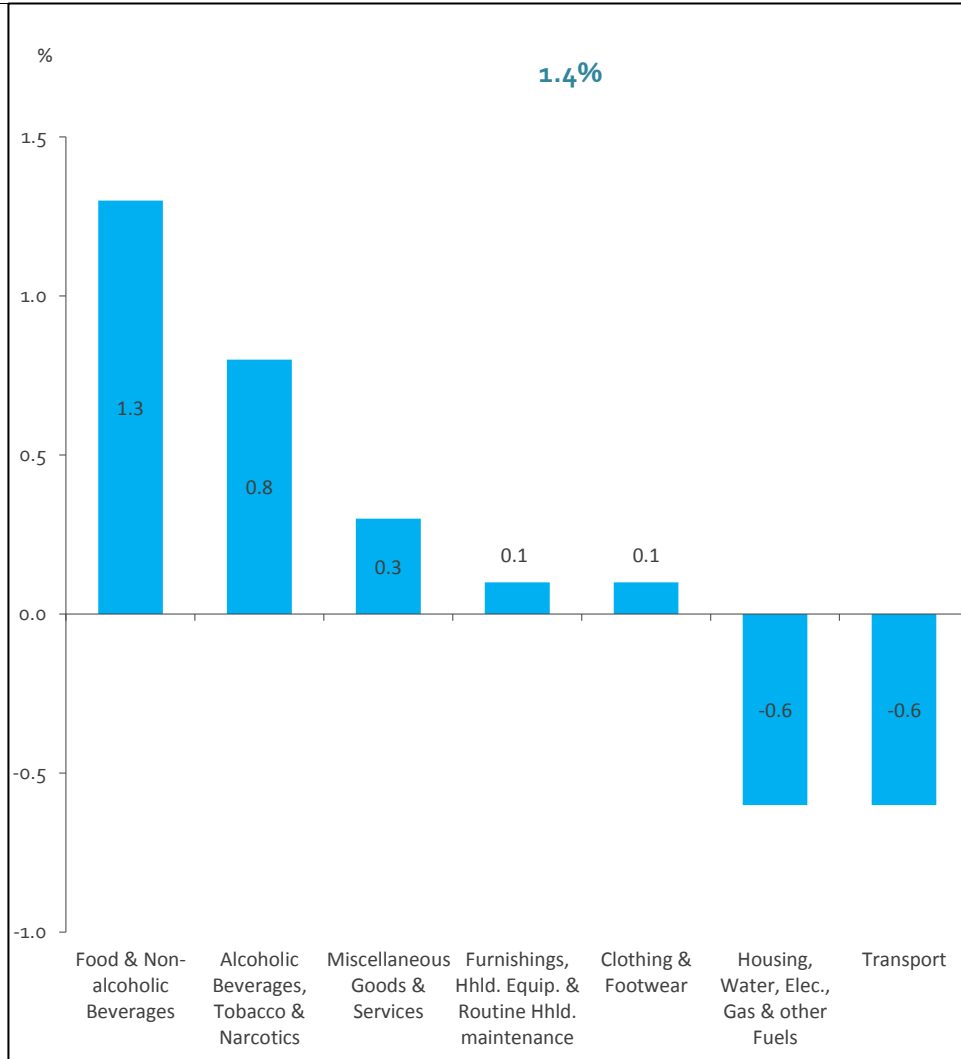


INFLATION – OCTOBER 2015

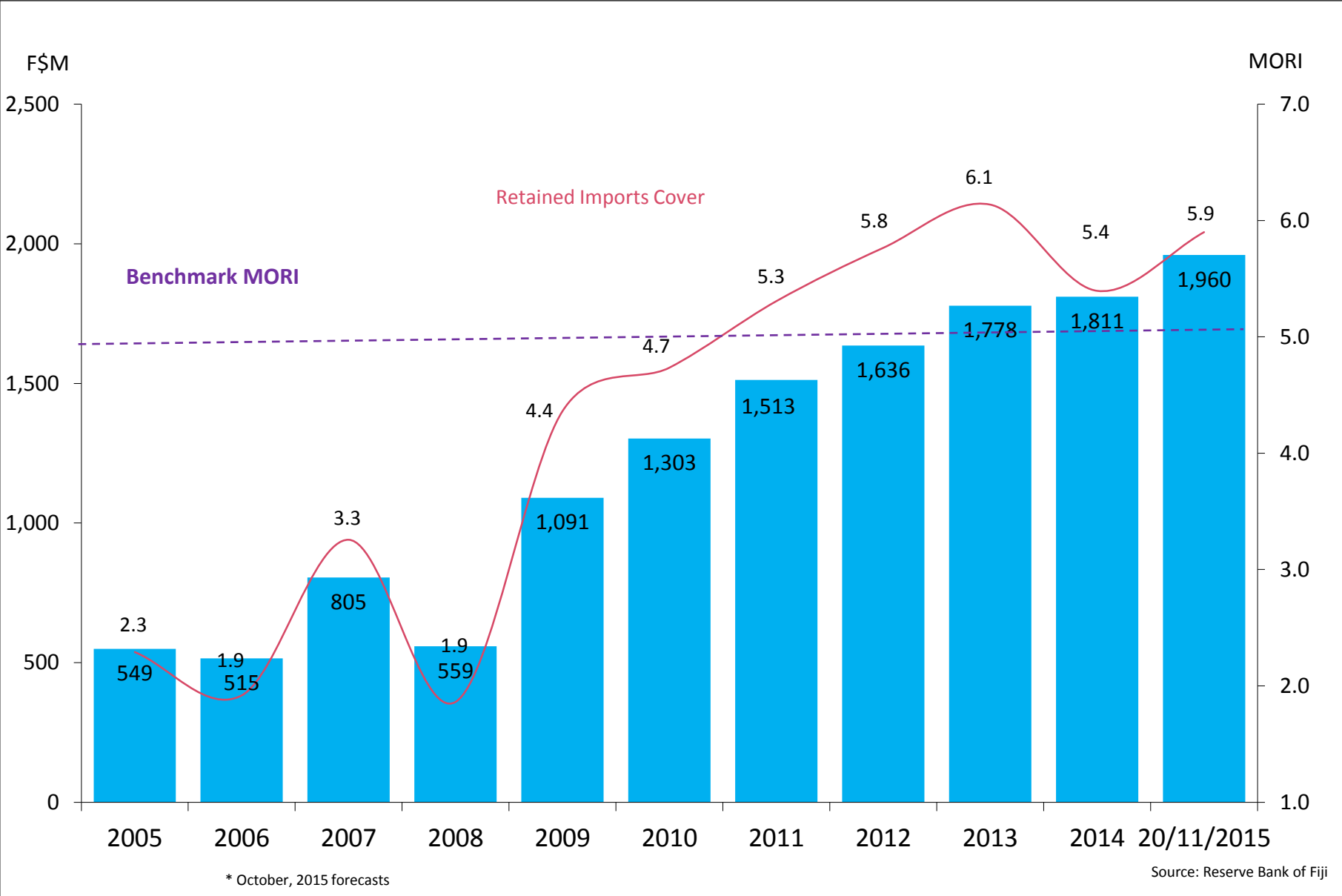
Inflation has been low throughout the year



Contributions to Inflation



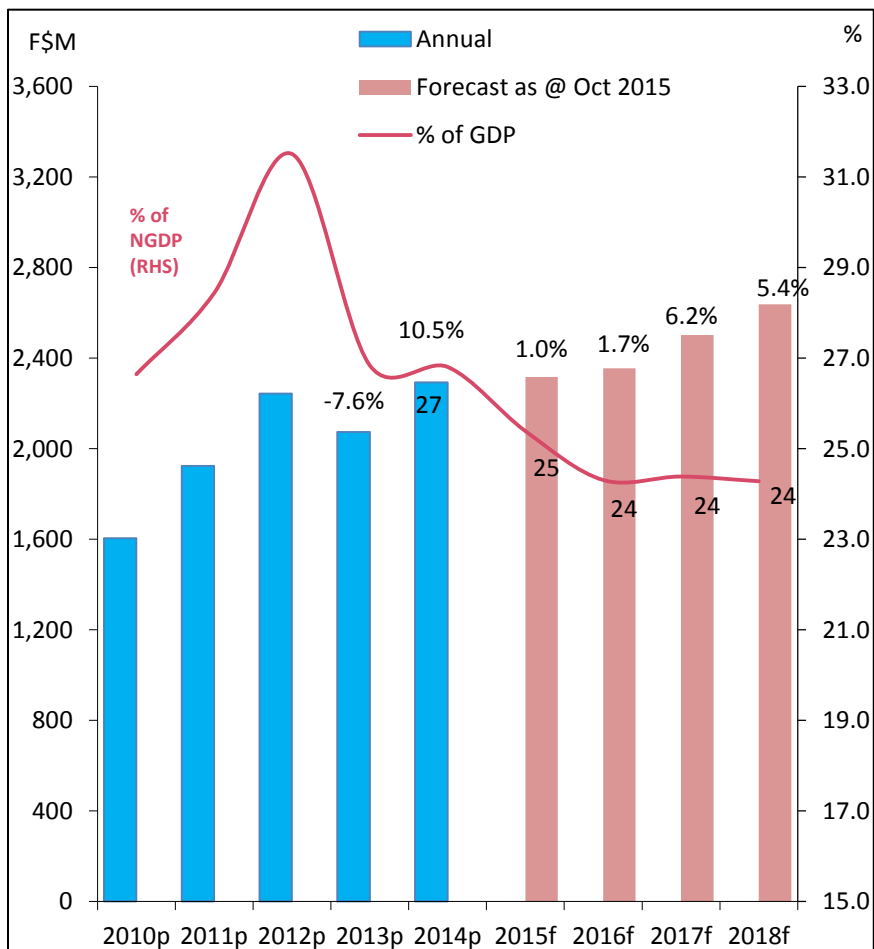
FOREIGN RESERVES



EXPORTS & IMPORTS

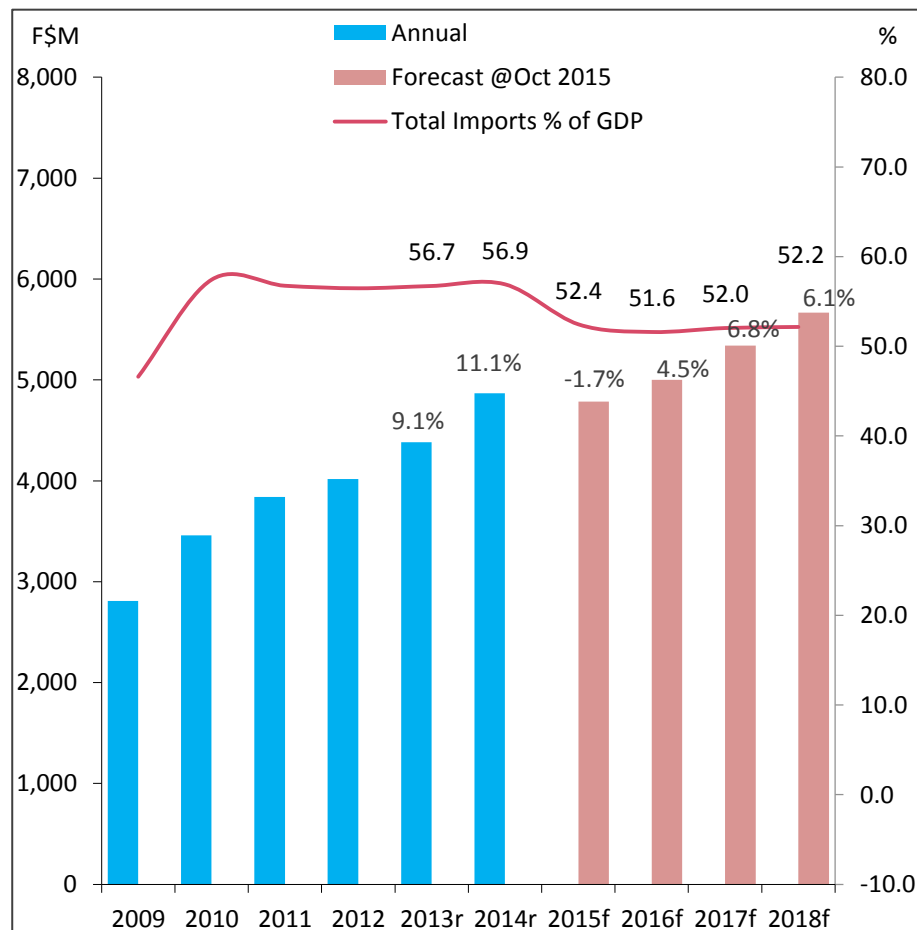
Exports and imports are poised to grow in the medium term

TOTAL EXPORTS *



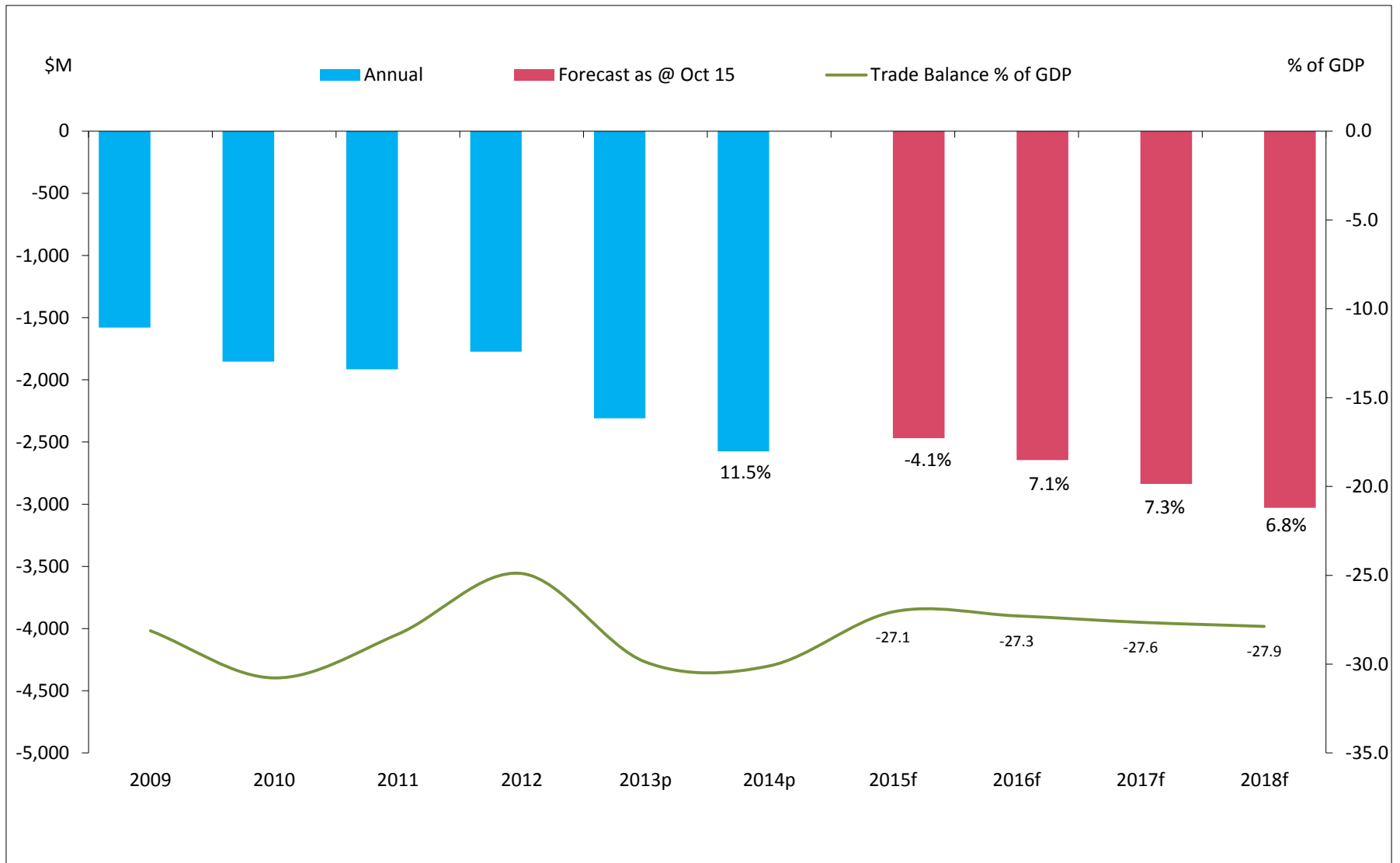
* Accrual data excluding aircraft

TOTAL IMPORTS *



* excluding aircraft

TRADE BALANCE*

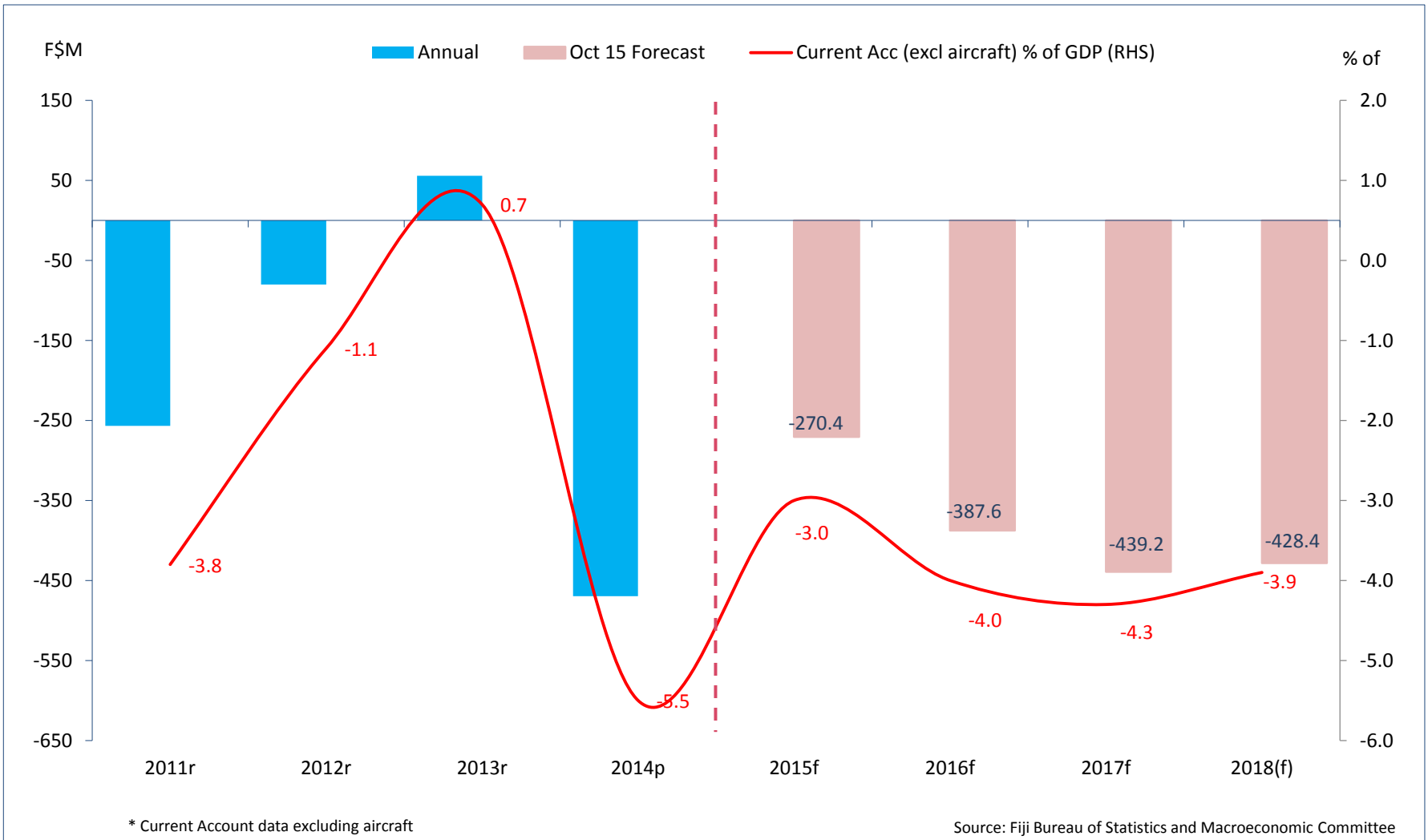


* Accrual data excluding aircraft

CURRENT ACCOUNT * ANALYSIS

Narrowing of CA Deficit in 2015..... & slightly widen in 2016

Marginal increase.....but relatively stable in 2017-2018





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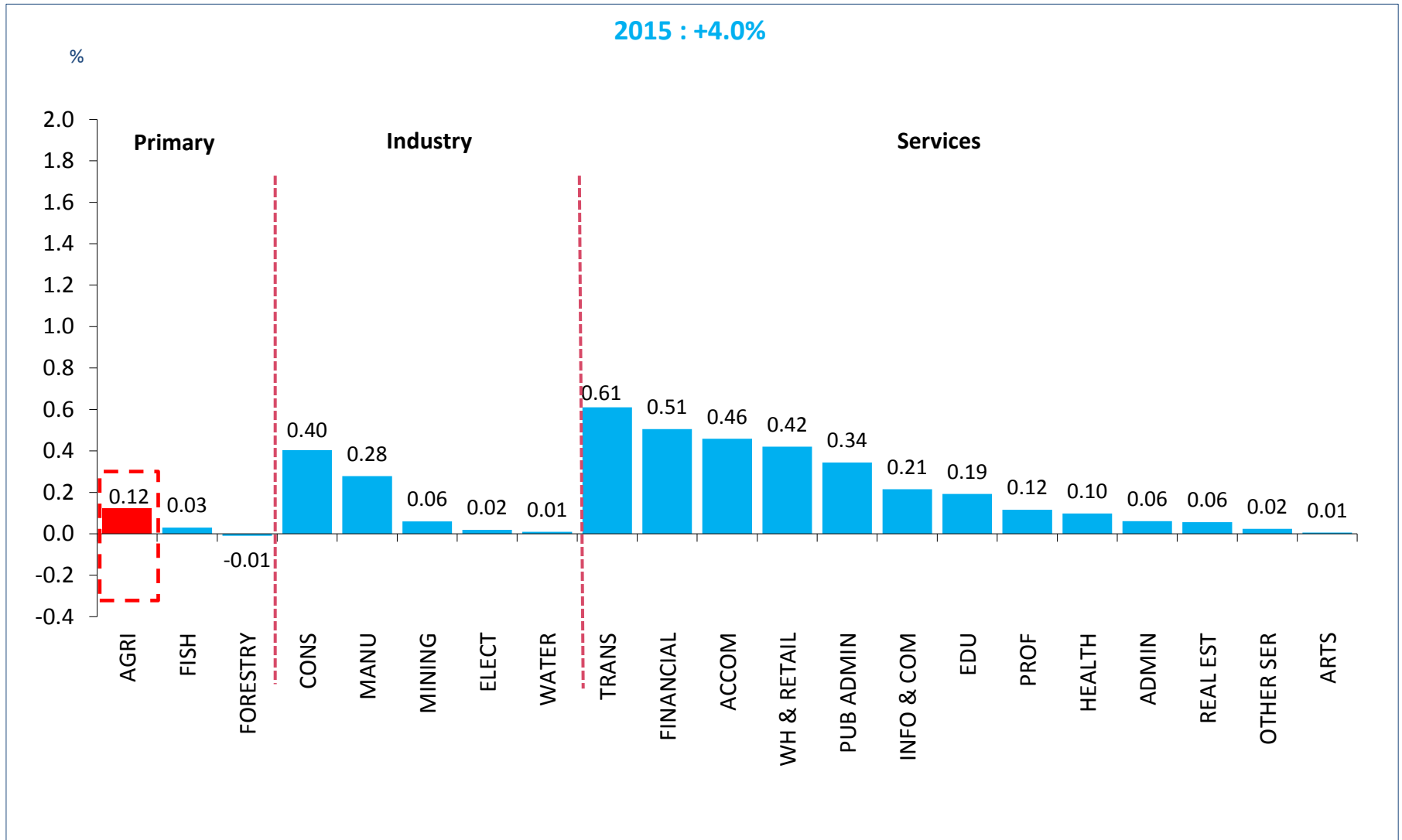
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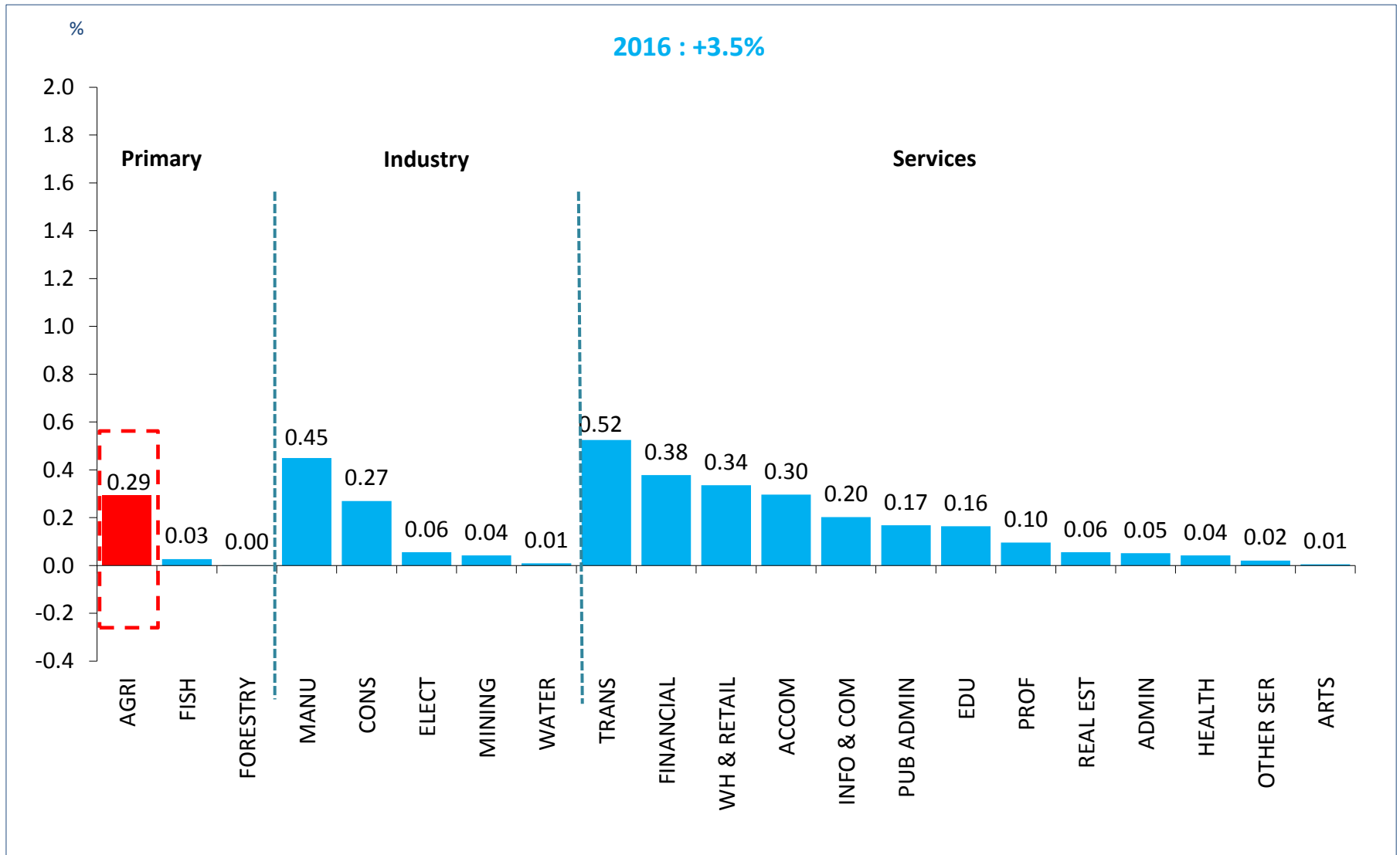
2015 CONTRIBUTION TO GROWTH

Economic Activity is expected to dominate by Services Sectors. How can crop sector be integrated with services sectors



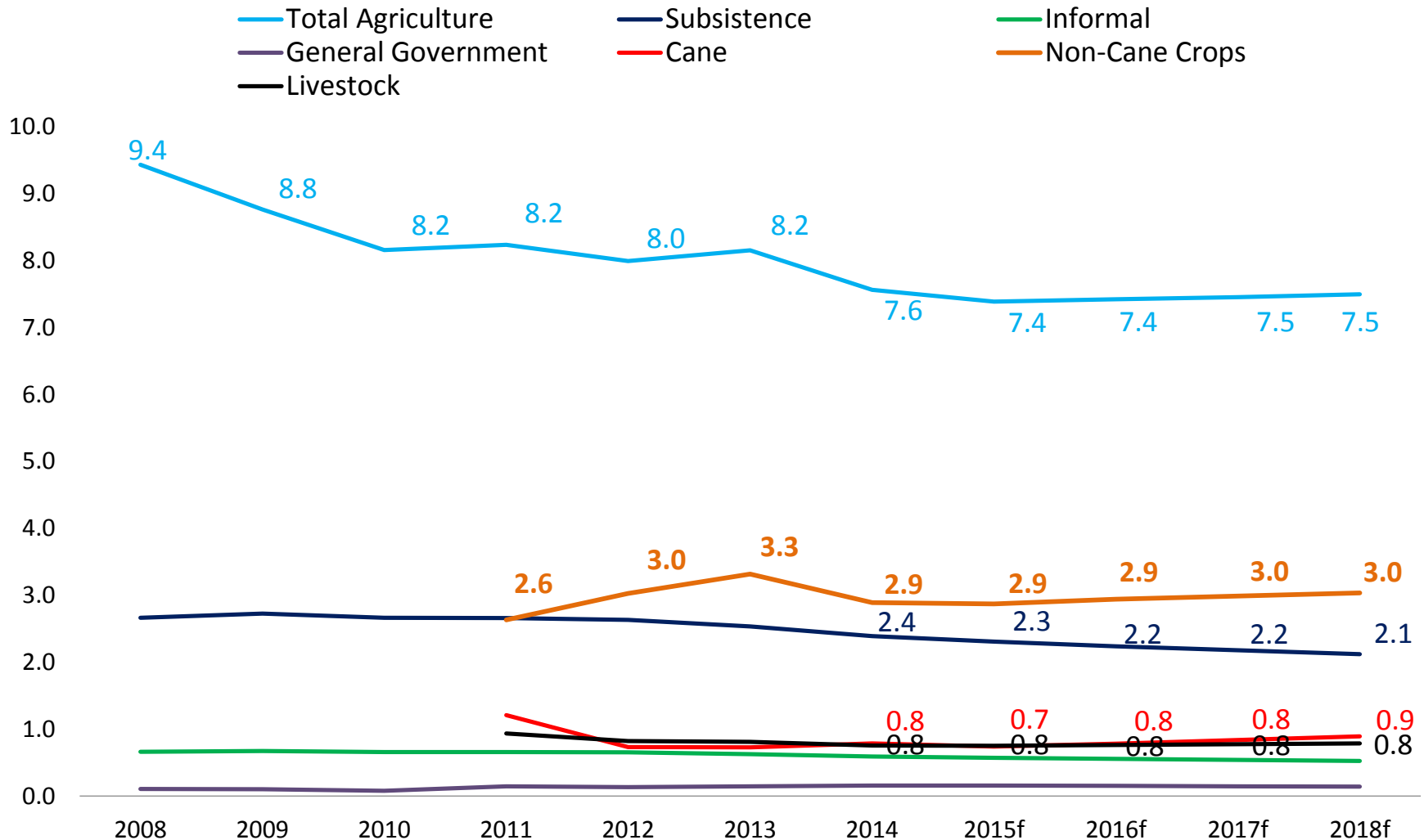
2016 CONTRIBUTION TO GROWTH

Economic Activity is expected to dominate by Services Sectors. How can crop sector be integrated with services sectors



AGRICULTURE SECTOR SHARE OF GDP

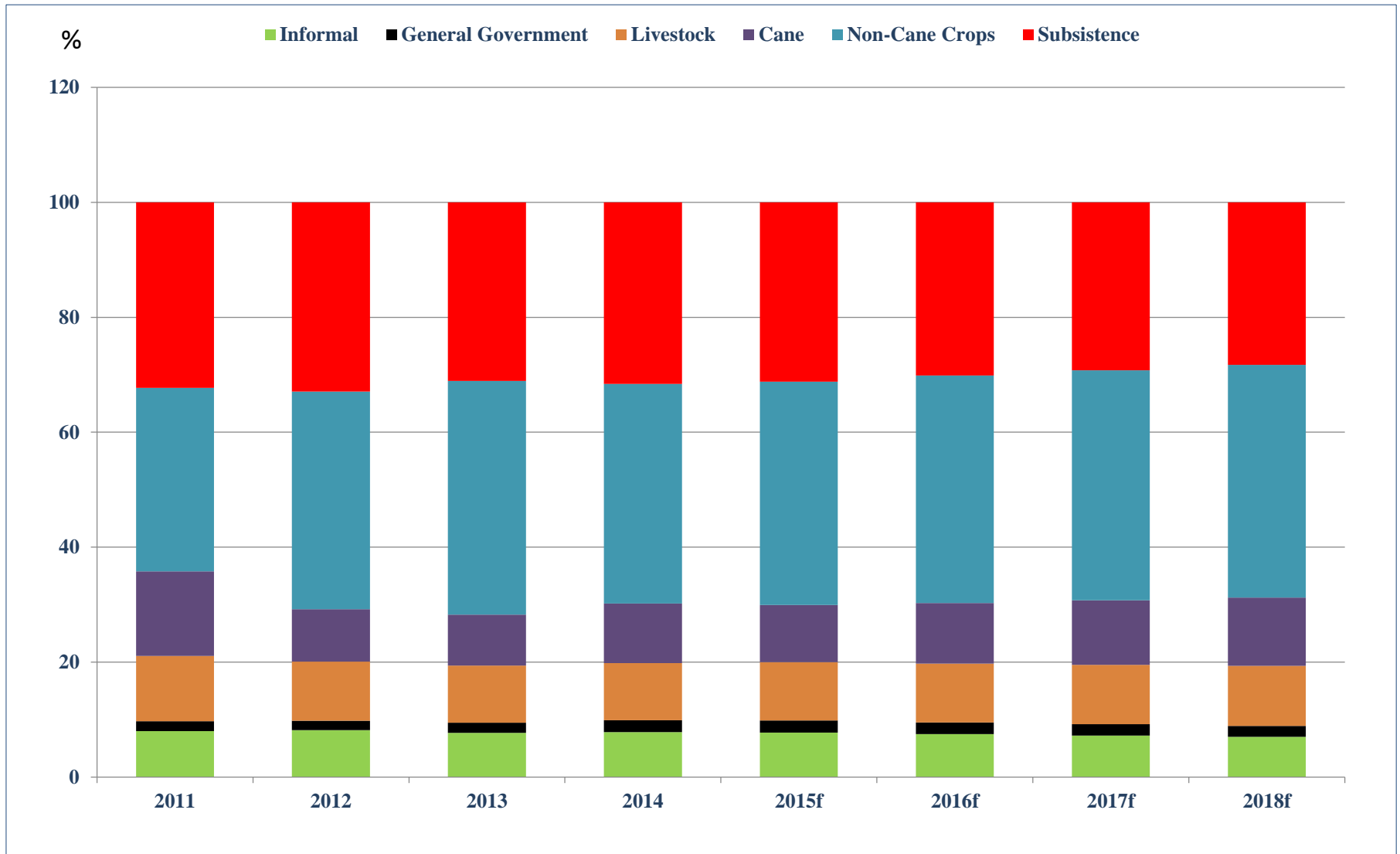
*Agriculture sector contributes around 7.5% to GDP.
Non-cane crops contribute around 3% to GDP.*





COMPOSITION OF AGRICULTURE SECTOR IN GDP

Agriculture sector is dominated by non-cane crop followed by subsistence agriculture

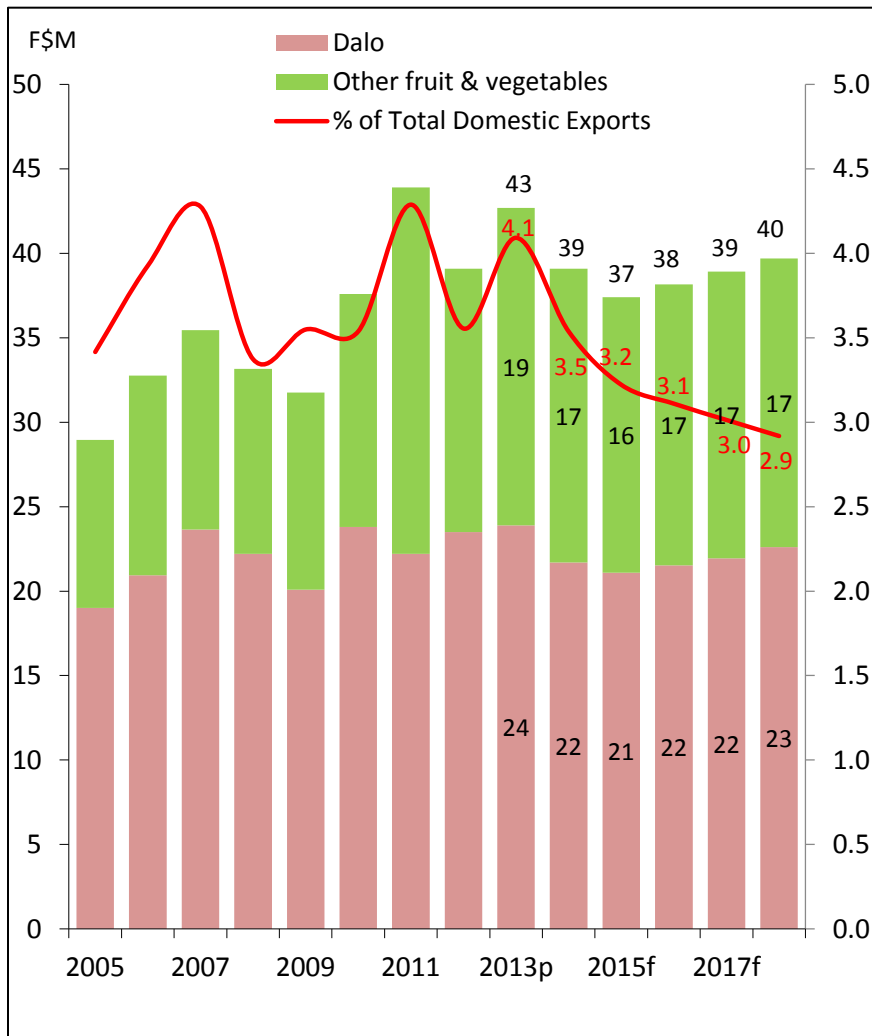


EXPORTS & IMPORTS AGRICULTURAL PRODUCTS

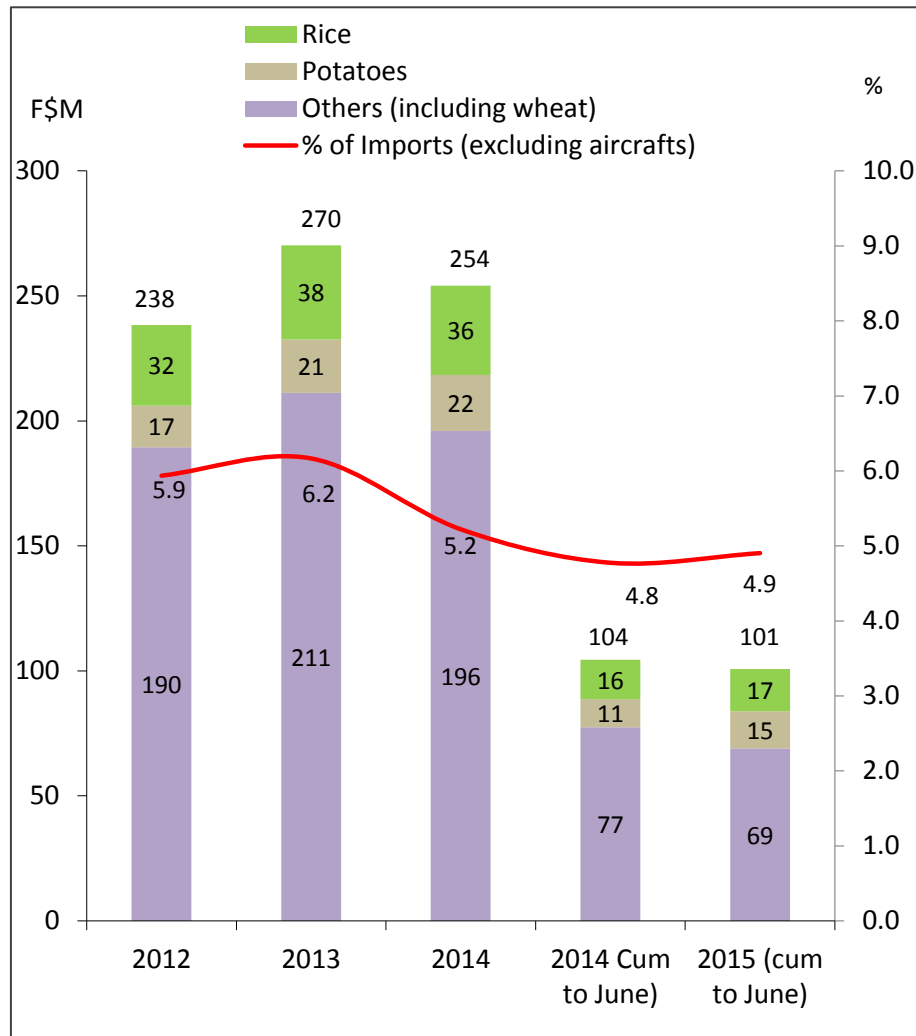
Fruit & Vegetables exports average around \$40m but has scope to grow

Imports of vegetable products average around \$255m

EXPORTS OF FRUIT & VEGETABLES



IMPORTS OF VEGETABLE PRODUCTS





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SUMMARY

- The economy is on target to achieve 4% growth in 2015. Medium term outlook is also positive.
- How can we sustain this growth.
- Government's medium term macroeconomic goals
 - Growth target of >5% GDP per annum/potential growth
 - Improve trade and current account deficits – grow exports and imports
 - Investment of >25% of GDP,
 - Reserves of 4-5 import cover,
 - Budget deficit <3% of GDP, Debt of 45% GDP
- Agriculture sector has huge role to play in economy:
 - Trade – exports
 - Output
 - Employment (self-employment)
- Agriculture sector needs to be integrated with services sector. How? Participants should be able to come up with the strategies for this by the end of this forum.



THANK YOU