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Welcome

Financial Inclusion Statistics Conference

The state of financial health in Kenya: Trends, drivers, and implications,

8th November to 11th November

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CENTRAL BANK OF KENYA

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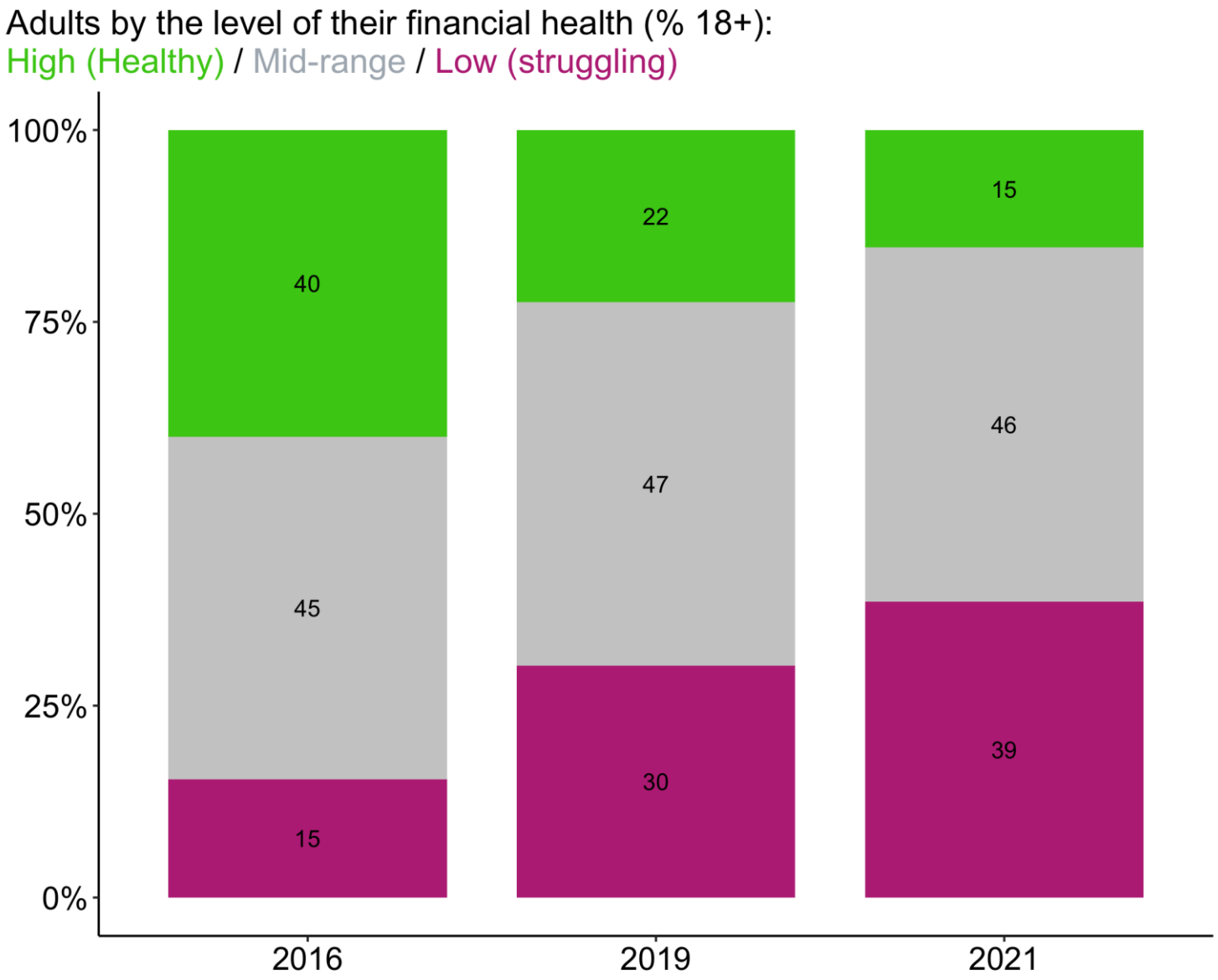
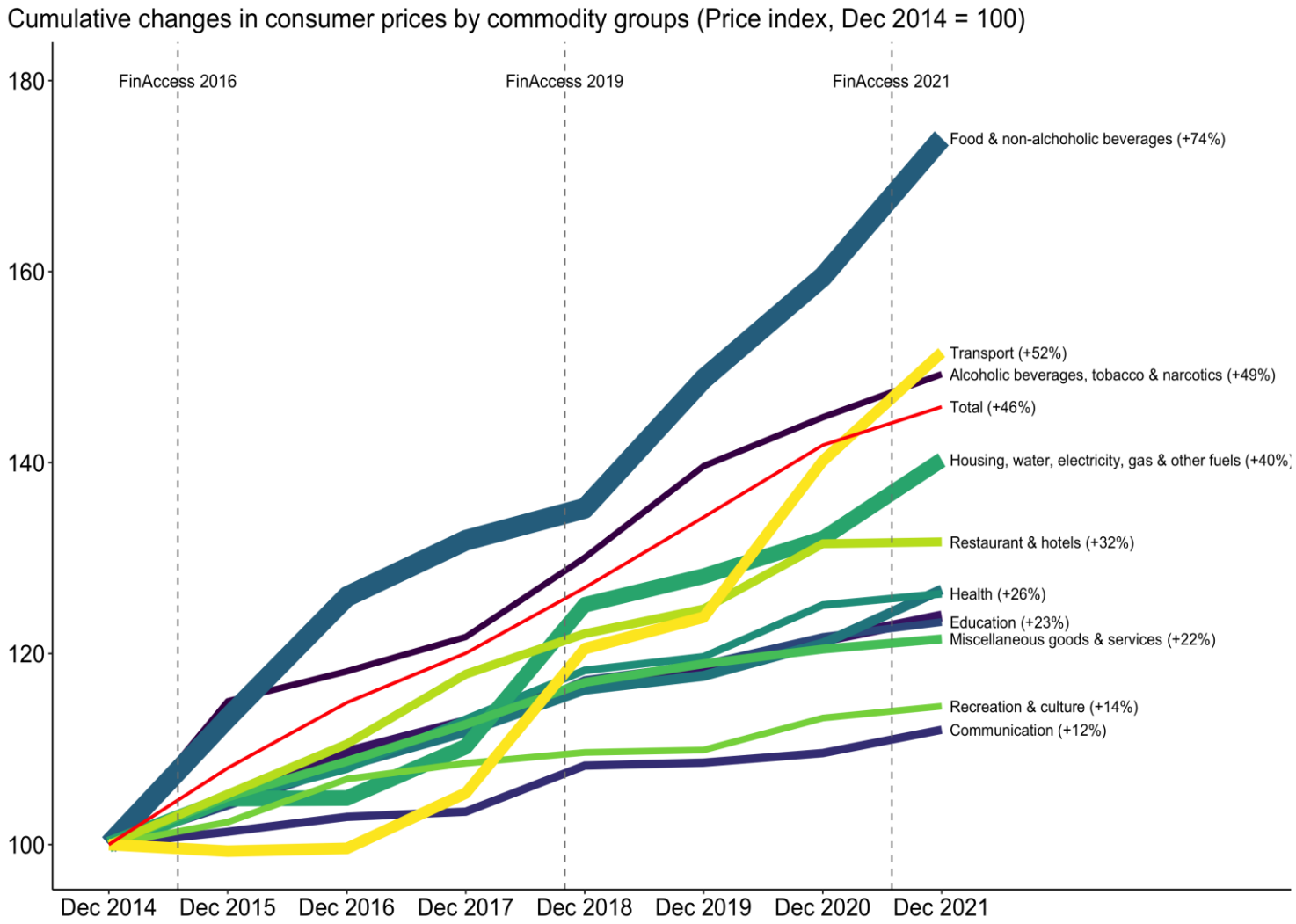
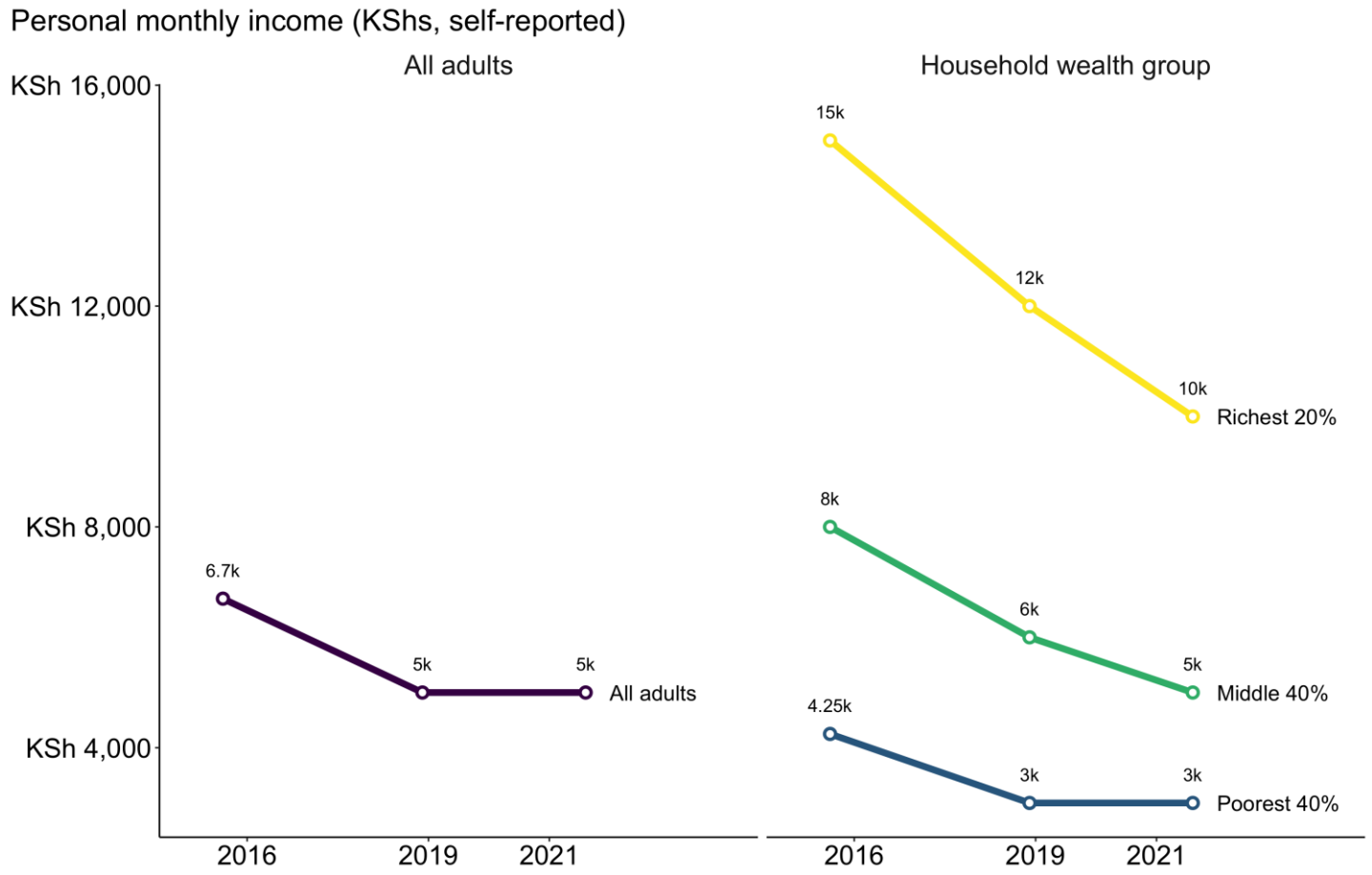
Kenya's adults have faced increasingly difficult financial conditions



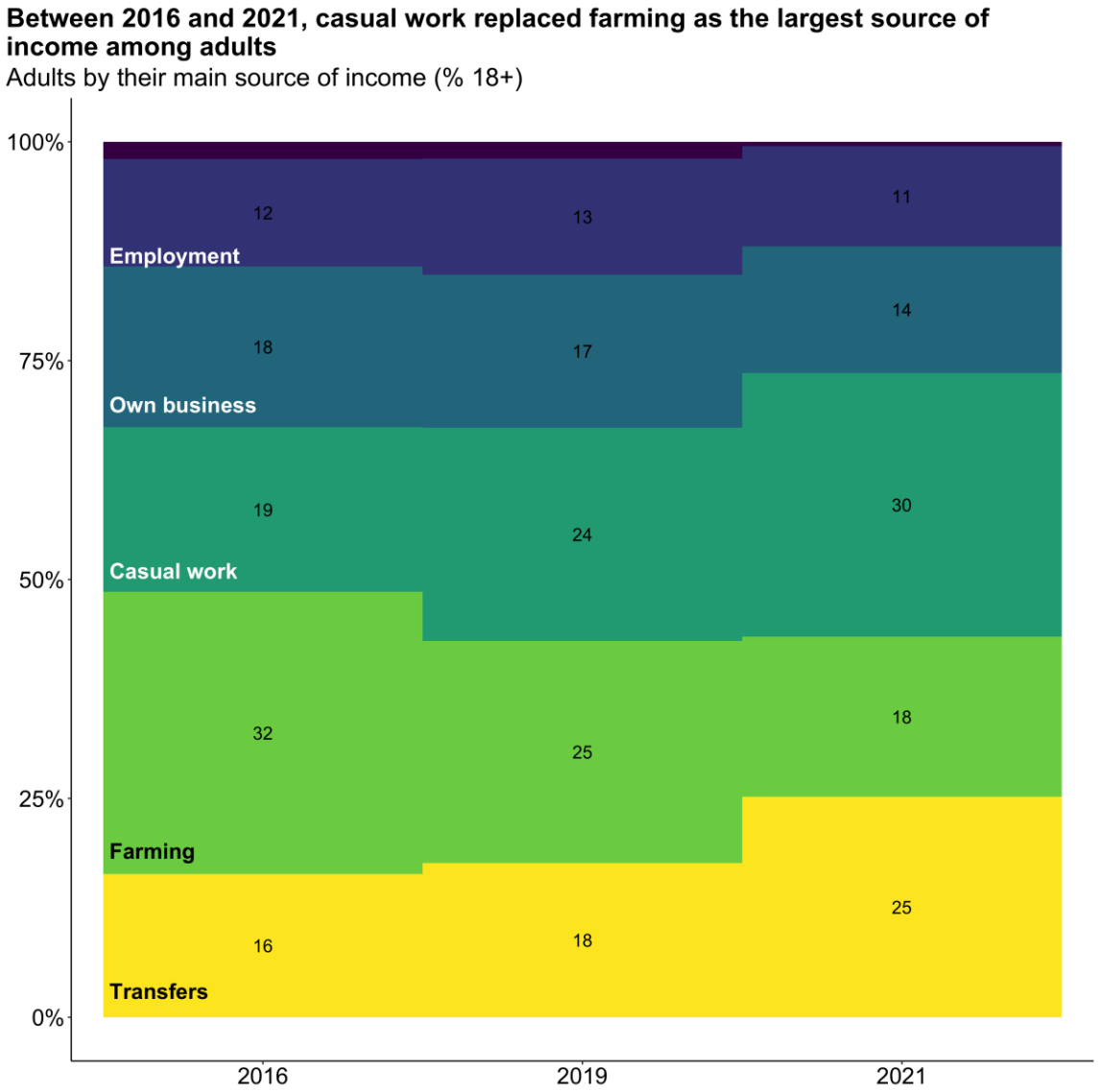
Inflation has put pressure on expenditures



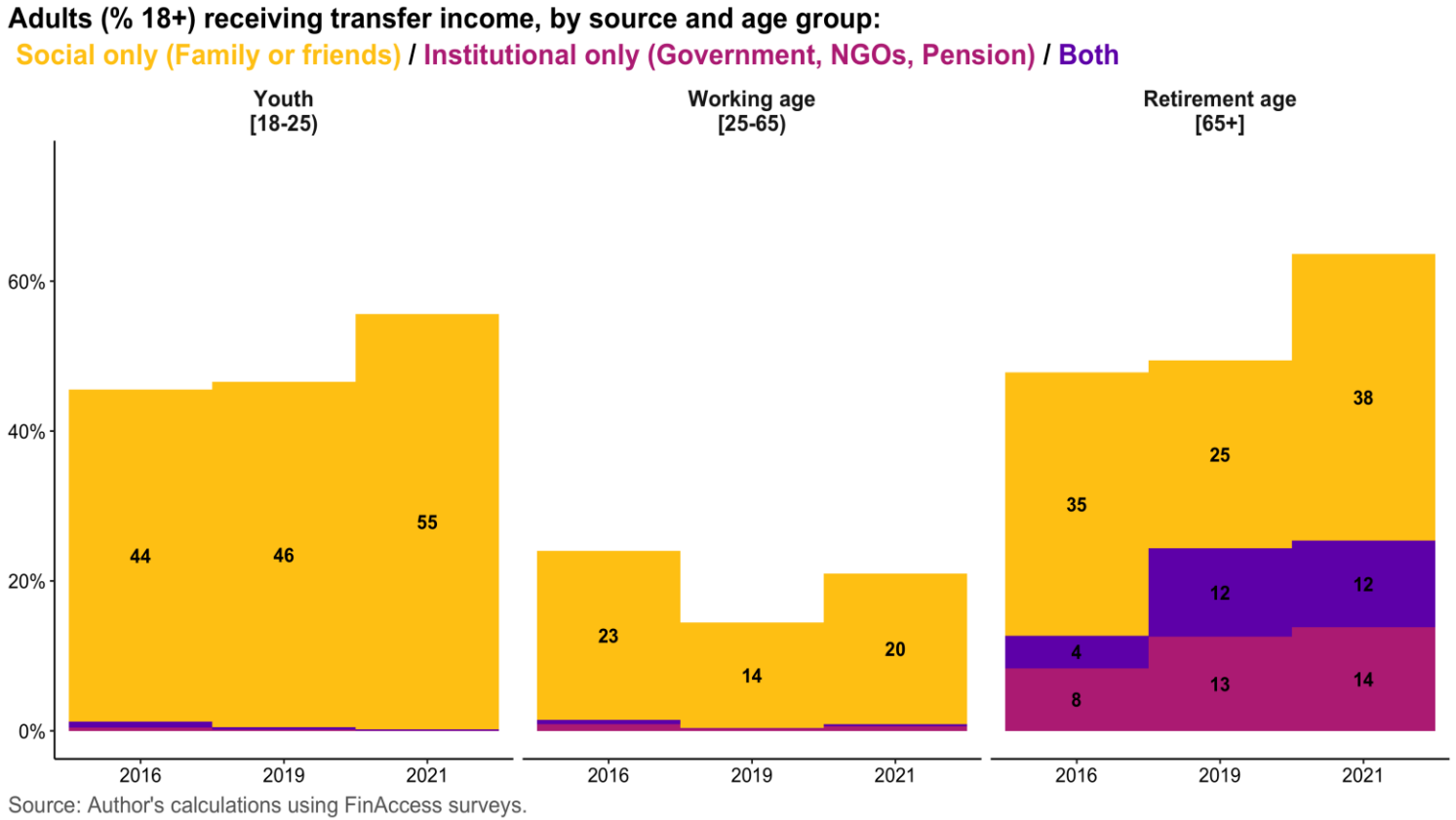
Median incomes have fallen or stagnated



Earnings from jobs and business have diminished

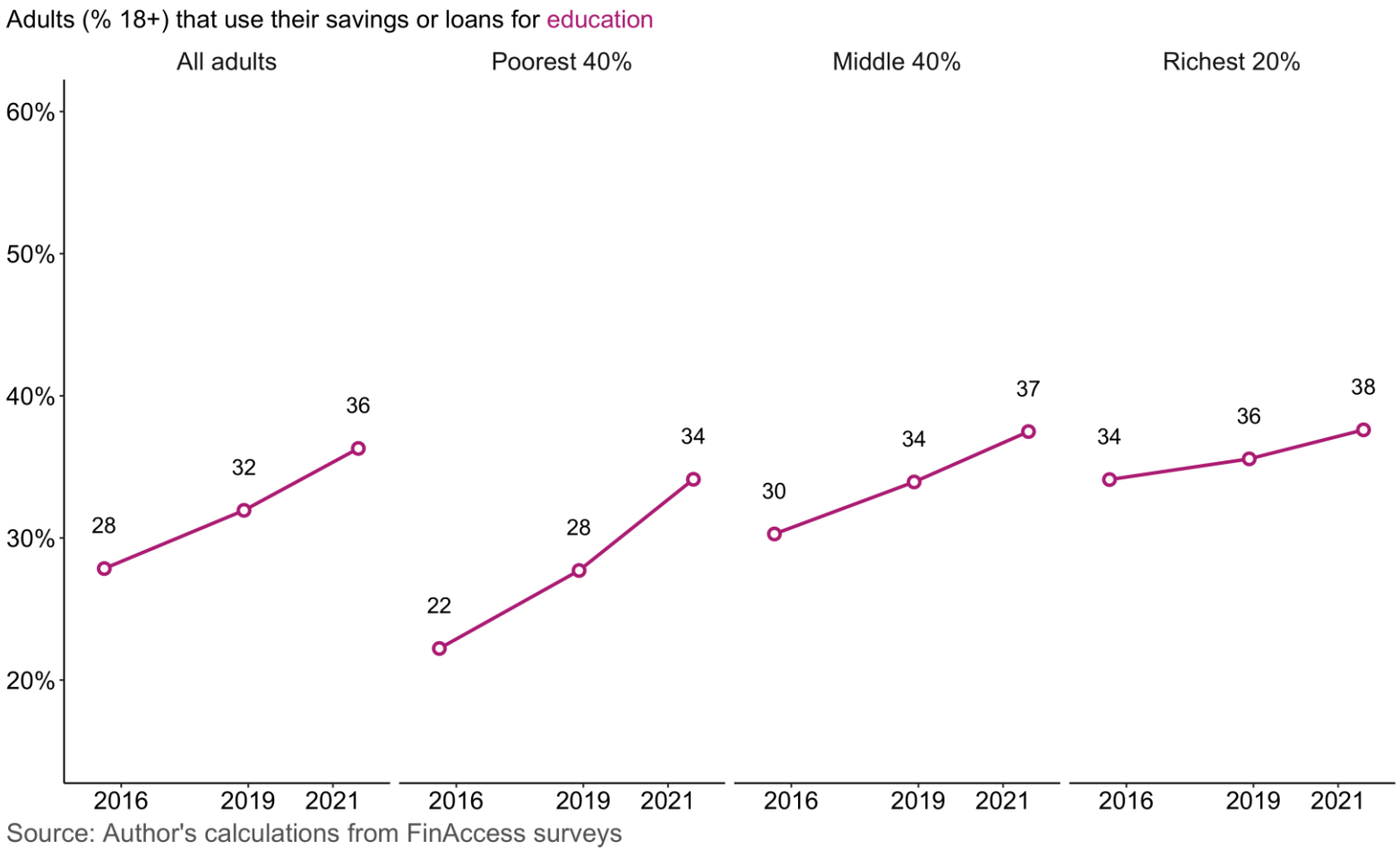


Increased remittances during COVID-19 placed additional financial demands on working adults



Source: Author's calculations using FinAccess surveys.

Increased investments in education have also placed additional financial demands on working adults

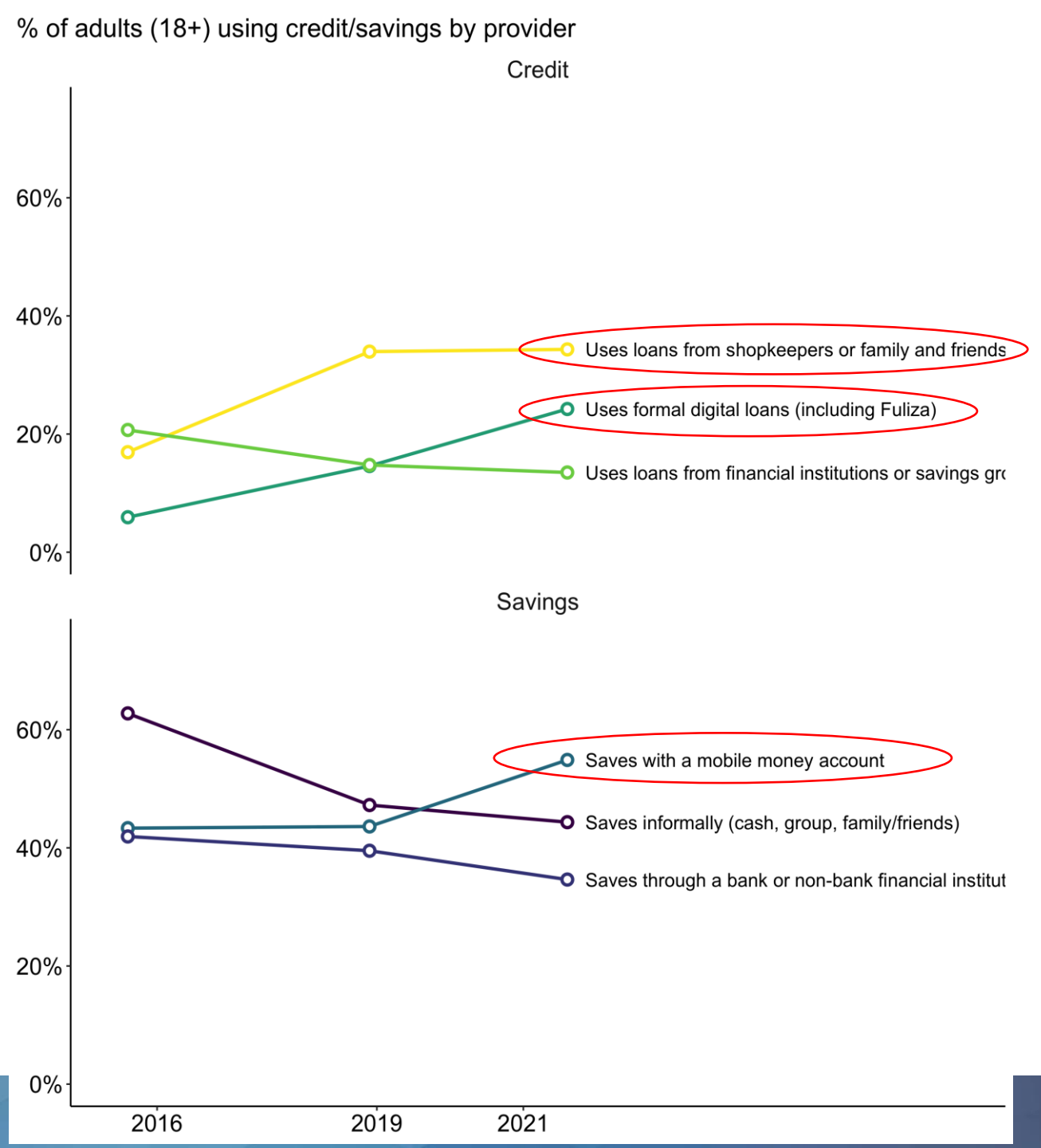


Source: Author's calculations from FinAccess surveys

In this context, short-term needs and emergencies have become the predominant use-case for savings and loans

Source: Author's calculations from FinAccess surveys

These needs have been met by social network and digital loans; and mobile money wallet savings



To what extent can the financial sector influence financial health?

What kinds of financial products best support resilience? E.g.

- High growth of credit for consumption; but how to encourage savings behaviour which has been shown to support FH
- Solutions tailored to livelihoods which stimulate growth and investment

Financial Health is impacted by a range of factors in the broader economy, not just financial inclusion

Financial sector is also a key driver of the economy at micro, meso and macro levels

Role of finance in catalysing inclusive growth at macro and meso levels

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