Central Bank of Kenya

Weekly Bulletin

March 14, 2025

RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending March 13. It exchanged at KSh 129.43 per US dollar on March 13, compared to KSh 129.23 per US dollar on March 6 **(Table 1)**.

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 10,055 million (5.1 months of import cover) as of March 13. This meets the CBK's statutory requirement to endeavour to maintain at least 4 months of import cover **(Table 2)**.

Remittances

Remittance inflows in February 2025 totalled USD 382.2 million compared to USD 385.9 million in February 2024, a decrease of 1 percent **(Chart 1).** The cumulative inflows for the 12 months to February 2025 increased by 14.5 percent to USD 4,956 million compared to USD 4,330 million in a similar period in 2024. The remittance inflows continue to support the current account and the foreign exchange market. The US remains the largest source of remittances to Kenya, accounting for 53 percent in February 2025.

Money Market

The money market remained liquid during the week ending March 13. Open market operations remained active. Commercial banks' excess reserves stood at KSh 13.5 billion in relation to the 3.25 percent cash reserves requirement (CRR). The average interbank rate was at 10.69 percent on March 13 compared to 10.71 on March 6. During the week, the average number of interbank deals increased to 37 from 27 in the previous week, while the average value traded increased to KSh 19.5 billion from KSh 12.0 billion in the previous week **(Table 3)**.

Government Securities Market

The Treasury bill auction of March 13 received bids totalling KSh 35.8 billion against an advertised amount of KSh 24.0 billion, representing a performance of 149.2 percent. Interest rate on the 91-day, 182-day and 364-day Treasury bills declined **(Table 4)**.

Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices decreased by 2.7 percent, 3.2 percent and 3.8 percent, respectively, during the week ending March 13, 2025. Market capitalization, equity turnover and total shares traded decreased by 2.7 percent, 27.2 percent and 28.2 percent, respectively **(Table 6)**.

Bond Market

Bond turnover in the domestic secondary market increased by 0.5 percent during the week ending March 13 **(Table 6)**. In the international market, yields on Kenya's Eurobonds increased by 9.8 basis points on average. The yields on Angola and Côte d'Ivoire Eurobonds also increased **(Chart 3)**.

Global Trends

Inflation concerns eased during the week ending March 13. The U.S. headline inflation rate decreased to 2.8 percent in February 2025, from 3.0 percent in January while core inflation fell to 3.1 percent from 3.3 percent. Bank of Canada reduced it's policy rate by 25 basis points to 2.75 percent. The US Dollar Index weakened by 0.2 percent during the week ending March 13.

International oil prices rose slightly during the week, with Murban crude rising to USD 73.92 per barrel on March 13, from USD 71.29 per barrel on March 6, reflecting increased uncertainities from trade tensions due to tariffs on imports.

Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
28-Feb-25	129.23	162.61	134.23	86.31	28.49	20.07	10.83	22.92
3-Mar-25	129.15	162.79	134.42	85.73	28.46	20.17	11.08	22.93
4-Mar-25	129.20	164.04	135.41	86.56	28.46	20.05	10.84	22.93
5-Mar-25	129.22	165.29	137.25	86.25	28.44	20.31	10.85	22.92
6-Mar-25	129.23	165.58	138.47	86.73	28.40	20.24	11.09	22.92
Feb 28-Mar 6	**129.20**	**164.06**	**135.96**	**86.32**	**28.45**	**20.17**	**10.94**	**22.93**
7-Mar-25	129.24	166.66	139.89	87.63	28.40	20.39	10.86	22.92
10-Mar-25	129.24	166.99	140.47	87.78	28.38	20.39	10.89	22.92
11-Mar-25	129.26	166.69	140.37	87.93	28.39	20.32	10.86	22.92
12-Mar-25	129.31	167.12	141.09	87.73	28.38	20.42	10.86	22.91
13-Mar-25	129.43	167.37	140.89	87.11	28.33	20.67	10.85	22.89
Mar 7-13	**129.29**	**166.97**	**140.54**	**87.63**	**28.38**	**20.44**	**10.86**	**22.91**

Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 2: Usable Foreign Exchange Reserves (USD Million)

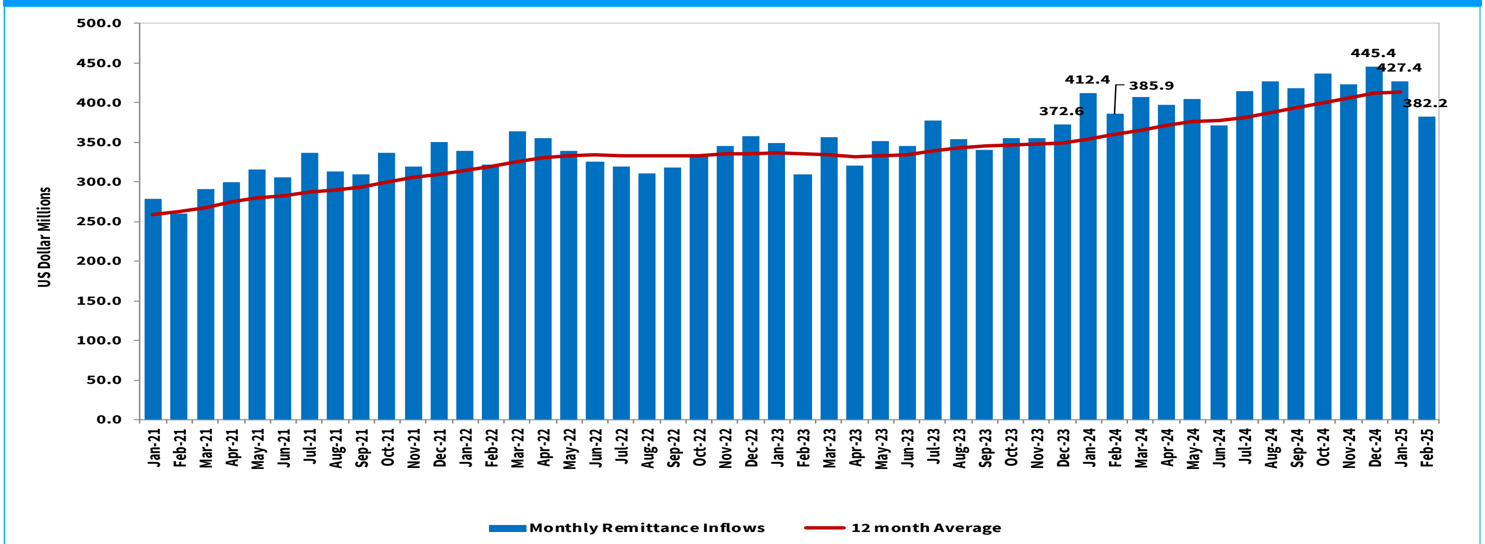
	13-Feb-25	20-Feb-25	27-Feb-25	6-Mar-25	13-Mar-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	9,374	9,256	9,057	9,142	10,055
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.8	4.7	4.6	4.7	5.1

*Excludes encumbered reserves

**Based on 36 months average of imports of goods and non –factor services*

Source: Central Bank of Kenya

Chart 1: Remittances



Source: Central Bank of Kenya

Table 3: Money Market

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
28-Feb-25	32	12,790.00	10.69
3-Mar-25	26	8,525.00	10.69
4-Mar-25	28	12,380.00	10.70
5-Mar-25	26	12,995.00	10.71
6-Mar-25	24	13,500.00	10.71
Feb 28-Mar 6	**27**	**12,038.00**	**10.70**
7-Mar-25	25	11,550.00	10.69
10-Mar-25	40	23,475.00	10.68
11-Mar-25	41	24,745.00	10.67
12-Mar-25	41	18,531.00	10.69
13-Mar-25	38	19,370.00	10.69
Mar 7-13	**37**	**19,534.20**	**10.68**

Source: Central Bank of Kenya

Table 4: Performance of Treasury Bill Auctions

91-Day Treasury Bills						
Date of Auction	**27-Jun-24**	**27-Dec-24**	**30-Jan-25**	**27-Feb-25**	**6-Mar-25**	**13-Mar-25**
Amount Offered (KSh M)	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
Bids Received (KSh M)	4,361.03	2,242.28	2,465.23	17,956.38	23,950.17	7,525.94
Amount Accepted (KSh M)	2,745.34	2,208.47	2,450.72	19,934.89	23,932.25	4,963.59
Maturities (KSh M)	3,922.10	3,443.00	7,518.90	16,257.75	19,318.35	5,829.95
Average Interest Rate (%)	**15.977**	**9.895**	**9.522**	**8.937**	**8.923**	**8.918**
182-Day Treasury Bills						
Date of Auction	**27-Jun-24**	**27-Dec-24**	**30-Jan-25**	**27-Feb-25**	**6-Mar-25**	**13-Mar-25**
Amount Offered (KSh M)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Bids Received (KSh M)	1,494.42	435.30	2,863.29	6,896.23	12,439.97	9,804.19
Amount Accepted (KSh M)	1,479.67	435.30	2,520.57	6,896.23	7,166.07	9,797.84
Maturities (KSh M)	293.25	1,534.00	8,280.55	4,784.10	10,934.30	3,503.00
Average Interest Rate (%)	**16.764**	**10.022**	**10.028**	**9.240**	**9.151**	**9.115**
364-Day Treasury Bills						
Date of Auction	**27-Jun-24**	**27-Dec-24**	**30-Jan-25**	**27-Feb-25**	**6-Mar-25**	**13-Mar-25**
Amount Offered (KSh M)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Bids Received (KSh M)	1,833.64	2,189.12	8,133.60	11,696.07	14,169.00	18,477.16
Amount Accepted (KSh M)	1,828.51	2,189.12	8,117.07	11,681.09	11,413.18	12,109.34
Maturities (KSh M)	1,679.00	1,918.60	4,035.60	10,152.85	11,332.65	3,183.10
Average Interest Rate (%)	**16.791**	**11.410**	**11.313**	**10.500**	**10.497**	**10.474**

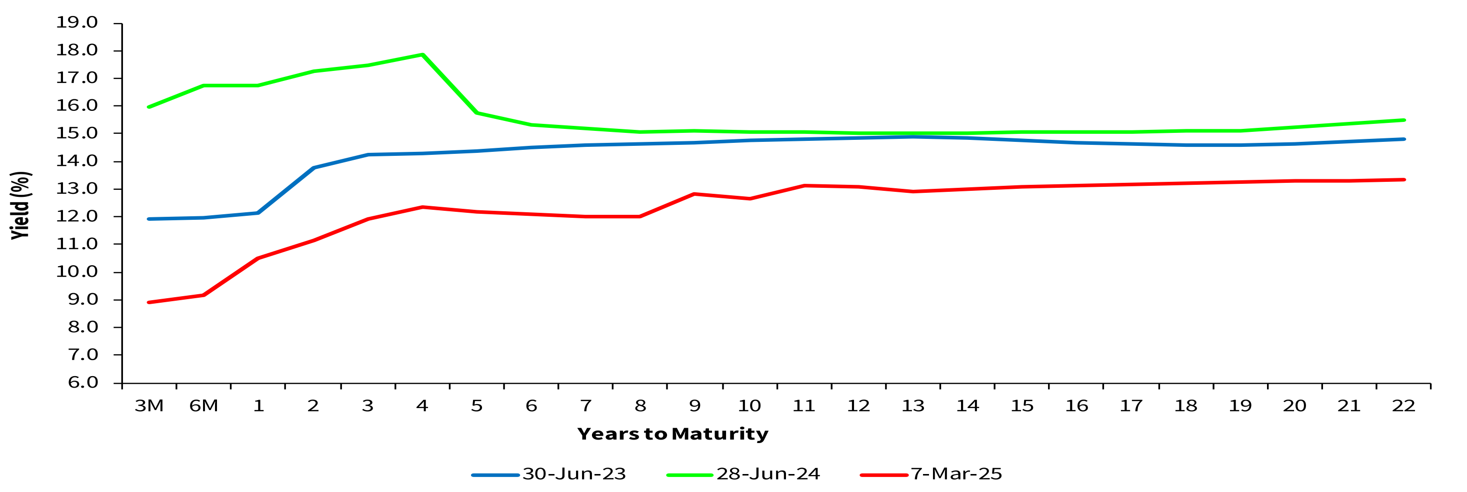
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	4-Dec-24		13-Dec-24	15-Jan-25		12-Feb-25		5-Mar-25
	RE-OPEN		RE-OPEN	RE-OPEN		RE-OPEN		RE-OPEN
Tenor	FXD1/ 2023/010	FXD1/ 2018/020	FXD1/ 2024/10	FXD1/ 2018/015	FXD1/ 2022/025	IFB1/ 2022/014	IFB1/ 2023/017	FXD1/ 2018/025
Amount offered (KSh M)	25,000.00		20,000.00	30,000.00		70,000.00		25,000.00
Bids received (KSh M)	47,395.28	23,922.30	53,628.95	30,576.60	28,421.50	93,132.02	100,765.93	47,011.61
Amount Accepted (KSh M)	34,922.07	18,488.38	43,448.79	23,753.07	24,728.62	65,255.75	65,553.12	35,248.22
Maturities (KSh M)								27,693.90
Average interest Rate (%)	14.69	15.11	14.69	14.21	15.68	13.98	14.28	13.80

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve



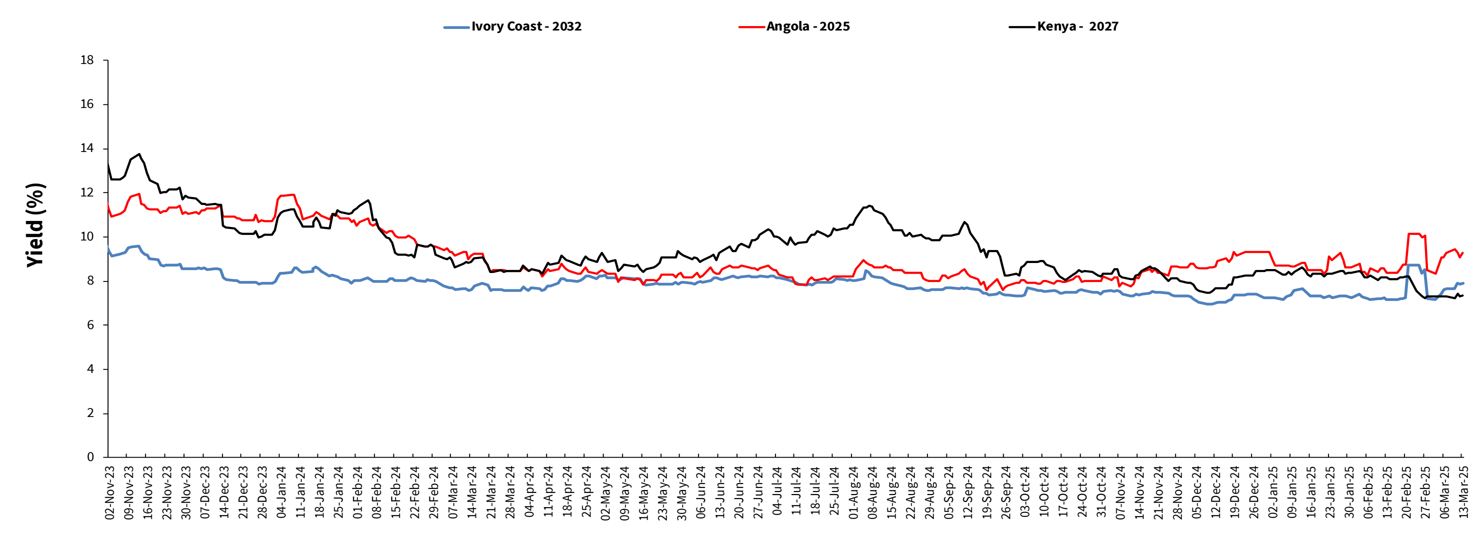
Source: Nairobi Securities Exchange (NSE)

Table 6: Performance of Key Market Indicators

INDICATOR	NASI 100=2008	NSE 25 Share Index	NSE 20 Share Index 100=1996	Total Deals (Equity)	Total Shares Traded (Million)	Equity Turn-over (KSh Million)	Market Capitaliza-tion (KSh Billion)	Bonds Turn-over (KSh Million)	Eurobond Yields (%)					
									7-Year 2027	10-Year 2028	6-Year 2031	12-Year 2032	13-Year 2034	30-Year 2048
28-Feb-25	132.13	3595.08	2300.17	1,926.00	12.71	232.79	2,076.83	6,188.70	7.320	8.113	9.521	9.547	9.709	10.094
3-Mar-25	132.59	3612.83	2293.87	2,290.00	18.31	277.01	2,084.07	9,668.25	7.321	8.017	9.424	9.462	9.634	10.030
4-Mar-25	131.04	3594.10	2306.85	2,109.00	16.60	330.29	2,059.76	16,032.60	7.322	8.163	9.617	9.634	9.736	10.144
5-Mar-25	132.00	3624.96	2321.45	2,154.00	42.42	961.79	2,081.04	12,653.10	7.323	8.164	9.617	9.663	9.787	10.177
6-Mar-25	133.69	3656.97	2339.62	2,078.00	29.68	593.83	2,101.33	7,832.31	7.325	8.412	9.812	9.838	9.944	10.293
Feb 28-Mar 6, 25	**133.69**	**3656.97**	**2339.62**	**10,557.00**	**119.72**	**2,395.71**	**2,101.33**	**52,374.96**	**7.325**	**8.412**	**9.812**	**9.838**	**9.944**	**10.293**
7-Mar-25	133.71	3,643.48	2,337.85	2,032	15.14	311.02	2101.698	10064.05	7.326	8.413	9.812	9.839	9.945	10.293
10-Mar-25	132.36	3,613.41	2,317.22	2,073	10.22	157.19	2080.417	8014.15	7.213	8.414	9.877	9.898	9.998	10.344
11-Mar-25	132.17	3,605.40	2,299.94	2,213	21.56	543.56	2077.488	15413.30	7.441	8.464	9.877	9.899	10.024	10.327
12-Mar-25	131.56	3,583.05	2,287.09	1,849	21.43	378.87	2067.964	8755.65	7.328	8.415	9.844	9.87	9.973	10.31
13-Mar-25	130.14	3,538.96	2,251.02	2,241	17.57	352.38	2045.636	10411.05	7.331	8.517	9.943	9.96	10.08	10.378
Mar 7-13, 25	**130.14**	**3538.96**	**2251.02**	**10,408.00**	**85.92**	**1,743.02**	**2,045.64**	**52,658.20**	**7.331**	**8.517**	**9.943**	**9.960**	**10.080**	**10.378**
Weekly Changes (%)	**-2.66**	**-3.23**	**-3.79**	**-1.41**	**-28.23**	**-27.24**	**-2.65**	**0.54**	**0.006***	**0.105***	**0.131***	**0.122***	**0.136***	**0.085***

** Percentage points*
Source: Nairobi Securities Exchange (NSE) and Thomson Reuters

Chart 3: Yields on 10-Year Eurobonds for Select Countries



Source: London Stock Exchange

Table 7: Government Domestic Debt (KSh Billion)

	30-Jun-23	29-Dec-23	28-Jun-24	30-Sep-24	31-Dec-24	31-Jan-25	28-Feb-25	7-Mar-25
1. Treasury Bills (Excluding Repos)	614.73	546.90	615.89	712.45	846.10	856.32	886.83	893.99
(As % of total securities)	*13.28*	*11.35*	*11.75*	*12.96*	*14.77*	*14.78*	*15.02*	*15.12*
2. Treasury Bonds	4,013.89	4,271.82	4,627.12	4,785.63	4,884.05	4,936.77	5,016.91	5,016.91
(As % of total securities)	*86.72*	*88.65*	*88.25*	*87.04*	*85.23*	*85.22*	*84.98*	*84.88*
3. Total Securities (1+2)	4,628.62	4,818.72	5,243.01	5,498.08	5,730.15	5,793.08	5,903.74	5,910.90
4. Overdraft at Central Bank	76.46	94.13	61.02	0.00	37.48	35.24	60.57	109.82
5. Other Domestic debt*	127.04	137.26	106.25	103.64	101.15	100.66	100.05	100.03
of which IMF funds on-lent to Government	95.52	104.24	83.54	82.63	80.29	79.58	79.62	79.62
6. Gross Domestic Debt (3+4+5)	**4,832.11**	**5,050.11**	**5,410.28**	**5,601.71**	**5,868.77**	**5,928.98**	**6,064.36**	**6,120.75**

** Other domestic debt includes clearing items in transit, advances from commercial banks and Pre-1997 Government Overdraft.*

Source: Central Bank of Kenya

Table 8: Composition of Government Domestic Debt by Instrument (Percent)

	30-Jun-23	29-Dec-23	28-Jun-24	30-Sep-24	31-Dec-24	31-Jan-25	28-Feb-25	7-Mar-25
Treasury bills (Excluding Repos)	12.72	10.83	11.38	12.72	14.42	14.44	14.62	14.61
Treasury bonds	83.07	84.59	85.52	85.43	83.22	83.27	82.73	81.97
Overdraft at Central Bank	1.58	1.86	1.13	0.00	0.64	0.59	1.00	1.79
Other domestic debt	2.63	2.72	1.96	1.85	1.72	1.70	1.65	1.63
of which IMF fund on lent to government	1.98	2.06	1.54	1.48	1.37	1.34	1.31	1.30
TOTAL	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

Source: Central Bank of Kenya

Table 9: Government Domestic Debt by Holder (Percent)

	30-Jun-23	29-Dec-23	28-Jun-24	30-Sep-24	31-Dec-24	31-Jan-25	28-Feb-25	7-Mar-25
Banking Institutions	46.17	46.07	45.12	44.38	45.05	44.96	45.40	45.84
Insurance Companies	7.31	7.23	7.23	7.22	7.32	7.32	7.23	7.16
Parastatals	5.98	5.47	5.13	5.35	5.60	5.93	5.97	6.16
Pension Funds*	33.42	29.93	29.60	29.44	28.88	28.82	28.29	28.03
Other Investors	7.13	11.30	12.92	13.60	13.16	12.97	13.11	12.80
Total	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

** Includes pension funds and custodial/ Nominee Accounts*
Source: Central Bank of Kenya

Table 10: Public Debt

	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24*
Domestic debt (KSh Bn)	4,832.11	4,917.47	5,050.11	5,235.19	5,410.28	5,601.71	5,868.77
Public & Publicly Guaranteed External debt (USD Bn)	38.76	38.27	38.92	39.18	39.77	40.16	39.11
Public & Publicly Guaranteed External debt (KSh Bn)	5,446.56	5,667.80	6,089.58	5,163.42	5,150.84	5,188.37	5,057.01
Public debt (KSh Bn)	**10,278.67**	**10,585.27**	**11,139.69**	**10,398.61**	**10,561.12**	**10,790.08**	**10,925.78**

** Provisional*
Source: The National Treasury and Central Bank of Kenya