



Central Bank of Kenya

Weekly Statistical Bulletin

Key Monetary and Financial Indicators

January 26, 2018

The Interbank Market

The interbank market was active during the week ending January 24, 2018 with traded volumes increasing to an average of KSh 16.51 billion as banks sought funds for tax remittances. The number of deals in the interbank market remained unchanged at an average of 38. The weighted average interbank rate maintained an upward trend, increasing to 6.83 percent from 5.73 percent in the previous week (**Table 1**).

Kenya Shilling Exchange Rate

The Kenya Shilling strengthened against the US Dollar but weakened against the Pound Sterling, the Euro and the Japanese Yen during the week ending January 25, 2018. In the EAC Region, the Shilling weakened against the Tanzania Shilling as well as the Rwanda and Burundi Francs and remained unchanged against the Uganda Shilling (**Table 2**).

Equity Market

Trading activity in the equities market increased during the week. The increase in equity prices resulted in increased NASI, the NSE 25 and NSE 20 share indices leading to an increase in shareholders'

wealth by 1.16 percent as measured by market capitalisation. The number of shares traded during the week increased by 348.28 per cent indicating high appetite by investors (**Table 3**).

Bond Market and Eurobond Yields

The volume of bonds traded increased in the week ending January 25, 2018 to 221 deals compared to 190 the previous week. The value of bonds traded increased by 75.38 percent, as investors increased fixed income investment in the secondary market. The yields on Kenya's 5-year and 10-year Eurobonds increased marginally (**Table 3**).

Government Securities Market

The government securities market was active during the week ending January 25, 2018 with auctions oversubscribed and interest rates remaining stable. The Treasury bill auction received bids of KSh 28 billion against an advertised amount of KSh 24 billion while the 15 year Infrastructure bond attracted bids of KSh 55 billion against an advertised amount of KSh 40 billion (**Table 4**).

LIST OF TABLES AND CHARTS

Table 1: Interbank Deals, Volumes & Interest Rate

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)	Reverse Repo Rate (%)
11-Jan-18	37	15,620	5.22	10.00
12-Jan-18	22	6,565	5.16	
15-Jan-18	44	15,905	5.57	
16-Jan-18	47	17,895	6.09	
17-Jan-18	38	11,435	6.63	
Jan 11 , 2018 - Jan 17, 2018	38	13,484	5.73	10.00
18-Jan-18	33	11,395	7.03	10.01
19-Jan-18	41	18,725	7.36	
22-Jan-18	40	19,565	6.75	
23-Jan-18	40	19,565	6.75	
24-Jan-18	35	13,295	6.29	10.00
Jan 18 , 2018 - Jan 24, 2018	38	16509	6.83	10.00

Source: Central Bank of Kenya

Table 2: Kenya Shilling Exchange Rate

	USD	Sterling Pound	Euro	100 Japanese Yen	USHS*	TSHS*	RWF*	BIF*
12-Jan-18	103.09	139.51	123.37	92.69	35.40	21.78	8.16	17.13
15-Jan-18	103.07	140.72	125.02	92.38	35.41	21.79	8.16	17.14
16-Jan-18	103.06	141.99	126.44	93.13	35.32	21.75	8.34	17.06
17-Jan-18	103.04	141.79	125.78	93.10	35.32	21.76	8.20	17.14
18-Jan-18	102.89	141.93	125.72	92.96	35.33	21.85	8.35	17.09
12-18 Jan 2018	103.03	141.19	125.26	92.85	35.36	21.78	8.24	17.11
19-Jan-18	102.91	142.70	125.92	92.78	35.31	21.84	8.35	17.09
22-Jan-18	102.87	142.69	126.03	93.04	35.29	21.85	8.36	17.09
23-Jan-18	102.79	142.84	125.82	92.78	35.34	21.88	8.36	17.11
24-Jan-18	102.56	143.62	125.98	92.94	35.40	21.92	8.21	17.23
25-Jan-18	102.34	145.24	126.60	93.87	35.49	22.00	8.23	17.27
19-25 Jan 2018	102.69	143.42	126.07	93.08	35.36	21.90	8.30	17.16

* Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 3: The Weekly Market Statistics

INDICATOR	NASI 100= 2008	NSE 25 Share Index	NSE 20 Share Index 100= 1996	Number of Deals (Shares)	Total Shares Traded (Million)	Equity Turnover (KSh Million)	Market Capitalization (KSh Billion)	Bonds Turnover (KSh Million)	5-Year Eurobond Yield (%)	10-Year Eurobond Yield (%)
12-Jan-18	176.07	4386.97	3708.75	1180	12.21	375.03	2,583.73	1,223.32	3.708	5.528
15-Jan-18	177.37	4404.96	3703.76	1225	15.96	394.78	2,612.78	1,223.32	-	-
16-Jan-18	177.83	4415.33	3711.23	1293	17.05	538.30	2,619.64	1,102.43	3.616	5.497
17-Jan-18	177.67	4414.47	3098.18	1413	28.50	1,054.68	2,617.35	1,288.08	3.612	5.504
18-Jan-18	178.49	4444.26	3705.97	1313	33.75	1,014.77	2,629.37	709.57	3.688	5.551
12 Jan 2018 -18 Jan 2018	178.49	4,444.26	3,705.97	6424	107.47	3,377.55	2,629.37	5,546.71	3.688	5.551
19-Jan-18	180.17	4500.71	3737.17	1233	387.04	5,954.69	2,654.24	917.50	3.773	5.69
22-Jan-18	175.81	4501.05	3741.80	1307	19.53	552.44	2,648.92	1,079.77	3.769	5.743
23-Jan-18	180.43	4499.39	3745.01	1149	29.69	1,035.15	2,658.01	1,774.67	3.675	5.662
24-Jan-18	179.44	4462.18	3713.19	1171	19.03	670.06	2,643.46	4,561.29	3.671	5.719
25-Jan-18	180.55	4492.37	3710.16	1519	26.49	877.67	2,659.81	1,394.85	3.749	5.782
19 Jan-25 Jan 2018	180.55	4492.00	3710.16	6379	481.78	9,090.02	2,659.81	9,728.07	3.749	5.782
Weekly Change (%)	2.46	2.05	0.11	(0.70)	348.28	169.13	1.16	75.38	0.06*	0.23*

* Percentage points

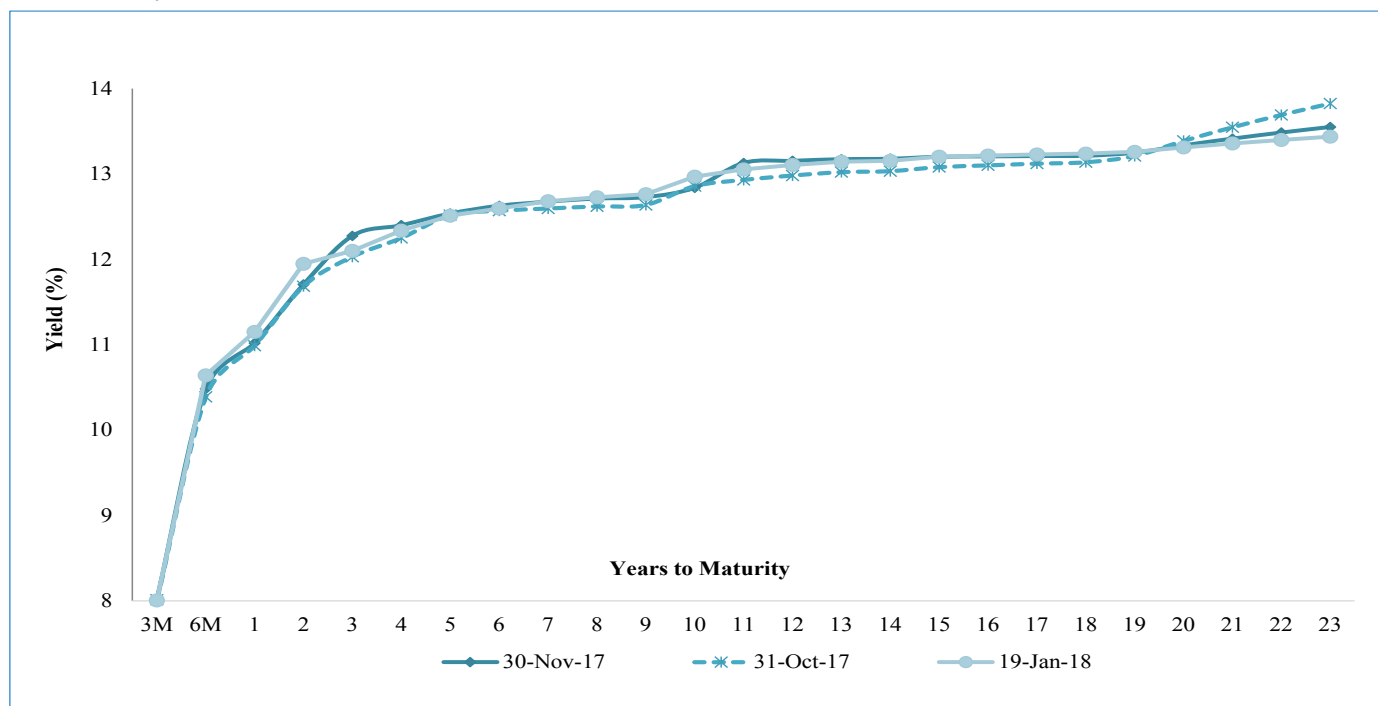
Source: Central Bank of Kenya

Table 4: Performance of Treasury Bills

Date of Auction	22-Nov-17	13-Dec-17		28-Dec-17		25-Jan-18
Tenor	IFB1/2017/7	FXD1/2008/15	FXD1/2017/10	TAP FXD1/2008/15	TAP FXD1/2017/10	IFB 1/2018/15
Amount offered (Ksh)	30,000.0	30,000.0		20,000.0		40,000.0
Bids received (Ksh M)	45,910.9	10,086.3	11,806.1	2,683.6	5,138.9	55,756.5
Amount Accepted (Ksh)	42,020.1	4,679.8	5,366.9	2,683.6	5,138.9	5,041.5
Maturities (Ksh M)	0.0	0.0	0.0	0.0	0.0	0.0
Average interest Rate	12.232	12.581	13.087	13.087	13.087	12.505

Source: Central Bank of Kenya

Chart 1: Kenya Government Securities Yield Curve



Source: Central Bank of Kenya

Table 5: Government Domestic Debt (KSh Billion)

	27-Oct-17	24-Nov-17	08-Dec-17	15-Dec-17	22-Dec-17	29-Dec-17	05-Jan-18	12-Jan-18	19-Jan-18
1. Treasury Bills (Excluding Repos)	734.84	709.79	700.44	687.54	680.79	684.72	686.51	682.20	701.05
(As % of total securities)	34.38	33.49	32.55	32.15	31.78	31.91	31.85	31.71	32.30
2. Treasury Bonds	1,402.49	1,409.71	1,451.16	1,451.16	1,461.25	1,461.25	1,469.11	1,469.11	1,469.11
(As % of total securities)	65.62	66.51	67.45	67.85	68.22	68.09	68.15	68.29	67.70
3. Total Securities (1+2)	2,137.33	2,119.51	2,151.60	2,138.70	2,142.04	2,145.97	2,155.62	2,151.31	2,170.16
4. Overdraft at Central Bank	17.70	33.88	28.00	36.82	44.74	42.32	41.52	47.00	29.93
5. Other Domestic debt*	40.50	32.83	32.82	32.59	32.59	32.58	32.59	32.06	32.06
6. Gross Domestic Debt (3+4+5)	2,195.53	2,186.21	2,212.42	2,208.11	2,219.36	2,220.87	2,229.73	2,230.37	2,232.14

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

Source: Central Bank of Kenya

Table 6: Composition of Government Domestic Debt by Instrument (In Percent)

	30-Jun-17	27-Oct-17	24-Nov-17	15-Dec-17	22-Dec-17	29-Dec-17	05-Jan-18	12-Jan-18	19-Jan-18
Treasury bills (Excluding Repos)	35.2	33.5	32.5	31.1	30.7	30.8	30.8	30.6	31.4
Treasury bonds	63.1	63.9	64.5	65.7	65.8	65.8	65.9	65.9	65.8
CBK Overdraft to Govt	0.0	0.8	1.5	1.7	2.0	1.9	1.9	2.1	1.3
Other domestic debt	1.7	1.8	1.5	1.5	1.5	1.5	1.5	1.4	1.4
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Central Bank of Kenya

Table 7: Composition of Government Domestic Debt by Holder (In Percent)

	24-Nov-17	08-Dec-17	15-Dec-17	22-Dec-17	29-Dec-17	05-Jan-18	12-Jan-18	19-Jan-18
Banking Institutions	54.7	54.2	54.2	54.3	54.6	54.8	55.0	54.6
Insurance Companies	6.3	6.3	6.4	6.4	6.4	6.4	6.4	6.4
Parastatals	7.0	6.9	7.0	6.9	6.9	6.8	6.8	6.8
Pension funds	27.6	28.0	27.9	27.8	27.5	27.4	27.3	27.7
Other investors	4.4	4.5	4.5	4.5	4.5	4.5	4.5	4.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Central Bank of Kenya

Table 8: Official Foreign Reserves US\$ Million (Usable)

	14-Dec-17	21-Dec-17	28-Dec-17	04-Jan-18	11-Jan-18	18-Jan-18	25-Jan-18
1. CBK Usable Foreign Exchange Reserves (USD Million)*	7,091	7,037	7,063	7,081	7,044	6,994	7,056
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.75	4.71	4.73	4.74	4.72	4.69	4.72

*Excludes Encumbered Reserves

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

Source: Central Bank of Kenya