



Central Bank of Kenya

Weekly Bulletin

September 5, 2025



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Inflation

Overall inflation stood at 4.5 percent in August 2025 compared to 4.1 percent in July 2025, largely driven by prices of select food commodities in the non-core basket. Non-core inflation increased to 9.2 percent from 7.2 percent in July, 2025 mainly on account of an increase in prices of key food items such as tomatoes, cabbages, and carrots, driven by seasonal factors. However, Core inflation decreased to 3.0 percent in August from 3.1 percent in July (**Chart 1**).

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending September 4, 2025. It exchanged at KSh 129.24 per U.S. dollar on September 4, unchanged from KSh 129.24 on August 28 (**Table 1**).

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 10,902 million (4.8 months of import cover) as of September 4. This meets the CBK's statutory requirement to endeavour to maintain at least 4 months of import cover (**Table 2**).

Money Market

The money market remained liquid during the week ending September 4. Open market operations remained active. Commercial banks' excess reserves stood at KSh 24.3 billion in relation to the 3.25 percent cash reserves requirement (CRR). The overnight interbank rate has been officially named Kenya Shilling Overnight Interbank Average (KESONIA) from September 1, 2025. The KESONIA was at 9.48 percent on September 4 compared to 9.58 percent on August 28. During the week, the average number of interbank deals decreased to 20 from 52 in the previous week, while the average value traded decreased to KSh 11.4 billion from KSh 32.4 billion in the previous week (**Table 3**).

Government Securities Market

The Treasury bill auction of September 4 received bids totalling KSh 33.9 billion against an advertised amount of KSh 24.0 billion, representing a performance of 141.2 percent. Interest rate on the 91-day and 182-day Treasury bills declined while interest rate on the 364-day Treasury Bill had a marginal increase (**Table 4**).

During the Treasury bond auction of September 3, the reopened 30-year Treasury bond received bids totalling KSh 8.1 billion against an advertised amount of KSh 20.0 billion, representing a performance of 40.4 percent (**Table 5**).

Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices increased by 3.50 percent, 2.56 percent and 4.71 percent, respectively during the week ending September 4, 2025. Market capitalization, total shares traded and Equity turnover increased by 3.51 percent, 109.45 percent and 217.01 percent, respectively (**Table 6**).

Bond Market

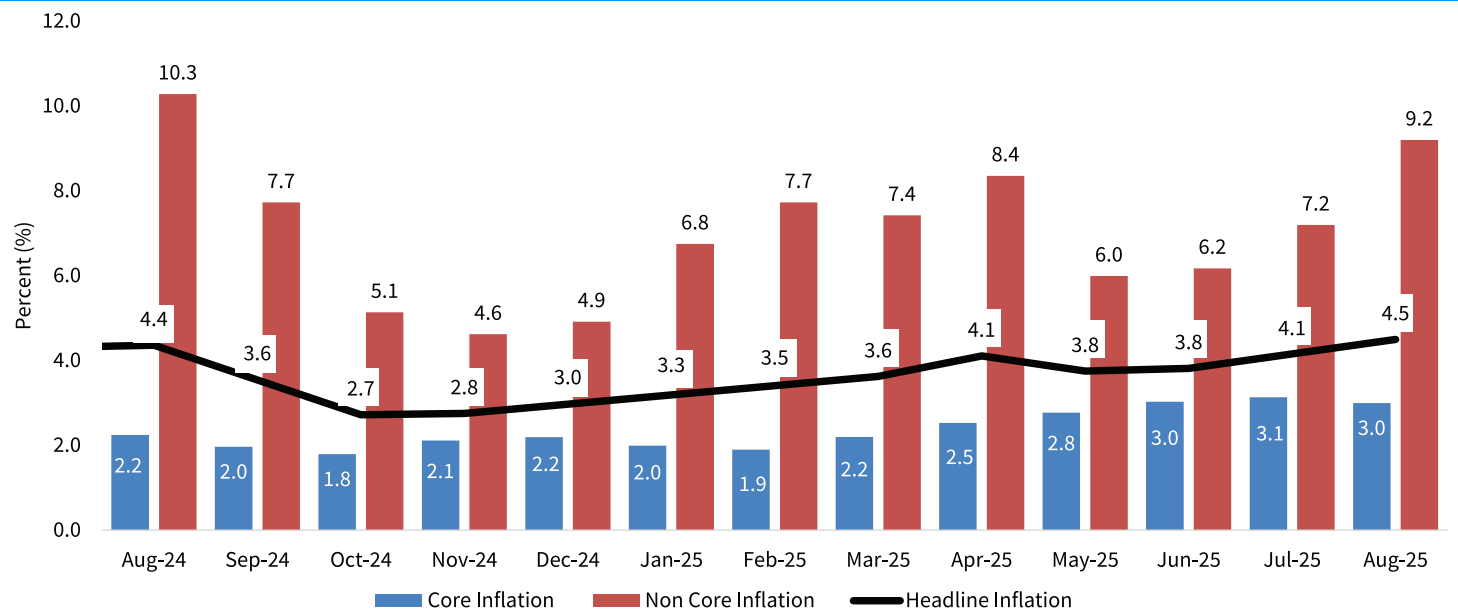
Bond turnover in the domestic secondary market decreased by 23.76 percent during the week ending September 4, 2025 (**Table 6**). In the international market, yields on Kenya's Eurobonds decreased by 23.12 basis points on average. Yields for Angola and Côte d'Ivoire also decreased (**Chart 3**).

Global Trends

Inflation concerns increased during the week as the Eurozone's headline inflation rose to 2.1 percent in August, from 2.0 percent in July. The U.S. Dollar Index strengthened by 0.5 percent, supported by safe-haven demand and expectations that the Federal Reserve will maintain a cautious stance despite soft labor market data.

International oil prices declined during the week, pressured by a build-up in U.S. crude inventories and expectations that OPEC+ could roll back some of its production cuts in October. Murban crude stood at USD 67.69 per barrel on September 4, compared to USD 68.86 on August 28.

Chart 1: Developments in Inflation



Source: Central Bank of Kenya and Kenya National Bureau of Statistics

Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
22-Aug-25	129.24	173.09	149.73	86.93	27.58	19.38	11.21	23.08
25-Aug-25	129.24	174.60	151.24	87.75	27.57	19.27	11.15	23.08
26-Aug-25	129.24	173.95	150.34	87.44	27.57	19.38	11.21	23.08
27-Aug-25	129.24	173.86	150.15	87.38	27.57	19.54	11.21	23.08
28-Aug-25	129.24	174.52	150.43	87.85	27.57	19.36	11.21	23.08
Aug 22-28	129.24	174.00	150.38	87.47	27.57	19.39	11.20	23.08
29-Aug-25	129.24	174.88	151.49	88.01	27.45	19.38	11.21	23.08
01-Sep-25	129.24	174.88	151.49	88.01	27.45	19.38	11.21	23.08
02-Sep-25	129.24	174.98	151.35	87.79	27.42	19.38	11.20	23.08
03-Sep-25	129.24	172.71	150.31	86.96	27.38	19.32	11.21	23.08
04-Sep-25	129.24	173.57	150.62	87.22	27.26	19.31	11.21	23.09
Aug 28- 4 Sep	129.24	174.20	151.06	87.60	27.39	19.36	11.21	23.08

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 2: Usable Foreign Exchange Reserves (USD Million)

	07-Aug-25	14-Aug-25	21-Aug-25	28-Aug-25	04-Sep-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	10,893	11,112	11,037	10,889	10,902
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.8	4.9	4.8	4.8	4.8

*Excludes encumbered reserves

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

Table 3: Money Market

Date	Number of Deals	Value (KSh M)	KESONIA (%)*
22-Aug-25	13	8,200.00	9.46
25-Aug-25	60	38,604.00	9.51
26-Aug-25	61	36,180.00	9.54
27-Aug-25	71	49,490.00	9.57
28-Aug-25	57	29,330.00	9.58
Aug 22-28	52	32,360.80	9.53
29-Aug-25	29	23,921.00	9.59
1-Sep-25	38	18,350.00	9.59
2-Sep-25	17	7,400.00	9.54
3-Sep-25	6	4,200.00	9.52
4-Sep-25	10	2,900.00	9.48
Aug 29-Sep 4	20	11,354.20	9.54

* The overnight interbank rate has been officially named Kenya Shilling Overnight Interbank Average (KESONIA) from September 1, 2025

Source: Central Bank of Kenya

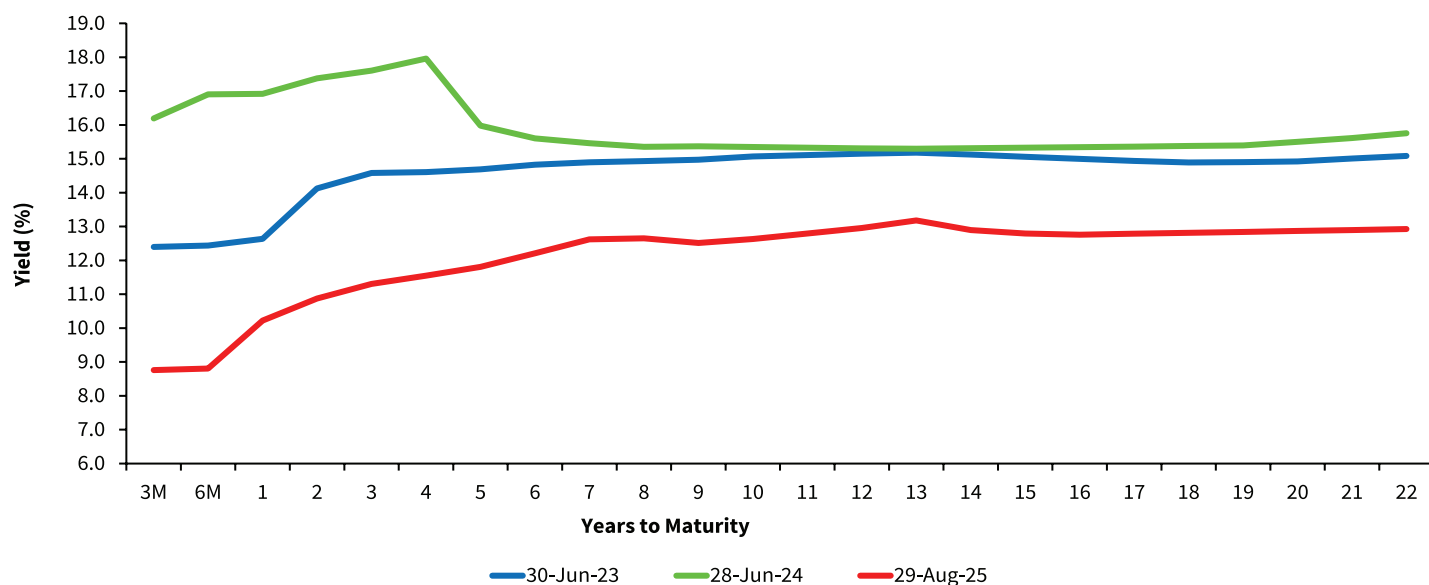
Table 4: Performance of Treasury Bill Auctions						
91-Day Treasury Bills						
Date of Auction	27-Dec-24	27-Mar-25	26-Jun-25	31-Jul-25	28-Aug-25	04-Sep-25
Amount Offered (KSh M)	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
Bids Received (KSh M)	2,242.28	2,790.24	1,449.26	1,973.68	19,969.98	5,866.62
Amount Accepted (KSh M)	2,208.47	2,704.14	1,442.77	1,969.82	19,878.57	5,554.46
Maturities (KSh M)	3,443.00	2,191.25	2,682.00	2,171.90	18,897.20	7,883.10
Average Interest Rate (%)	9.895	8.791	8.139	8.111	8.000	7.987
182-Day Treasury Bills						
Date of Auction	27-Dec-24	27-Mar-25	26-Jun-25	31-Jul-25	28-Aug-25	04-Sep-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)	435.30	1,706.31	1,200.39	2,141.04	1,804.38	4,909.26
Amount Accepted (KSh M)	435.30	1,701.35	1,198.53	2,102.68	1,782.88	4,909.26
Maturities (KSh M)	1,534.00	3,580.40	321.35	2,609.60	7,185.60	7,466.45
Average Interest Rate (%)	10.022	9.058	8.461	8.410	8.050	8.033
364-Day Treasury Bills						
Date of Auction	27-Dec-24	27-Mar-25	26-Jun-25	31-Jul-25	28-Aug-25	04-Sep-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)	2,189.12	10,249.39	11,839.57	11,978.10	10,254.91	23,101.23
Amount Accepted (KSh M)	2,189.12	10,104.04	11,798.48	11,951.23	10,250.60	19,084.10
Maturities (KSh M)	1,918.60	8,813.10	2,094.10	1,049.65	2,605.40	6,448.15
Average Interest Rate (%)	11.410	10.412	9.722	9.718	9.569	9.579

Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions							
Date of Auction	09-Jul-25		13-Aug-25		20-Aug-25		03-Sep-25
	RE-OPEN		RE-OPEN		TAP SALE		RE-OPEN
Tenor	FXD1/ 2018/020	FXD1/ 2018/025	IFB1/ 2018/015	IFB1/ 2022/019	IFB1/ 2018/015	IFB1/ 2022/019	SDB1/ 2011/030
Amount offered (KSh M)	50,000.00		90,000.00		50,000.00		20,000.00
Bids received (KSh M)	33,075.11	43,832.49	215,941.68	107,489.73	130,339.80	77,114.65	8,069.30
Amount Accepted (KSh M)	30,572.40	36,078.54	50,658.38	44,355.22	127,982.99	51,791.91	2,398.97
Maturities (KSh M)							
Average interest Rate (%)	13.90	14.35	12.99	14.00	12.99	14.00	13.96

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

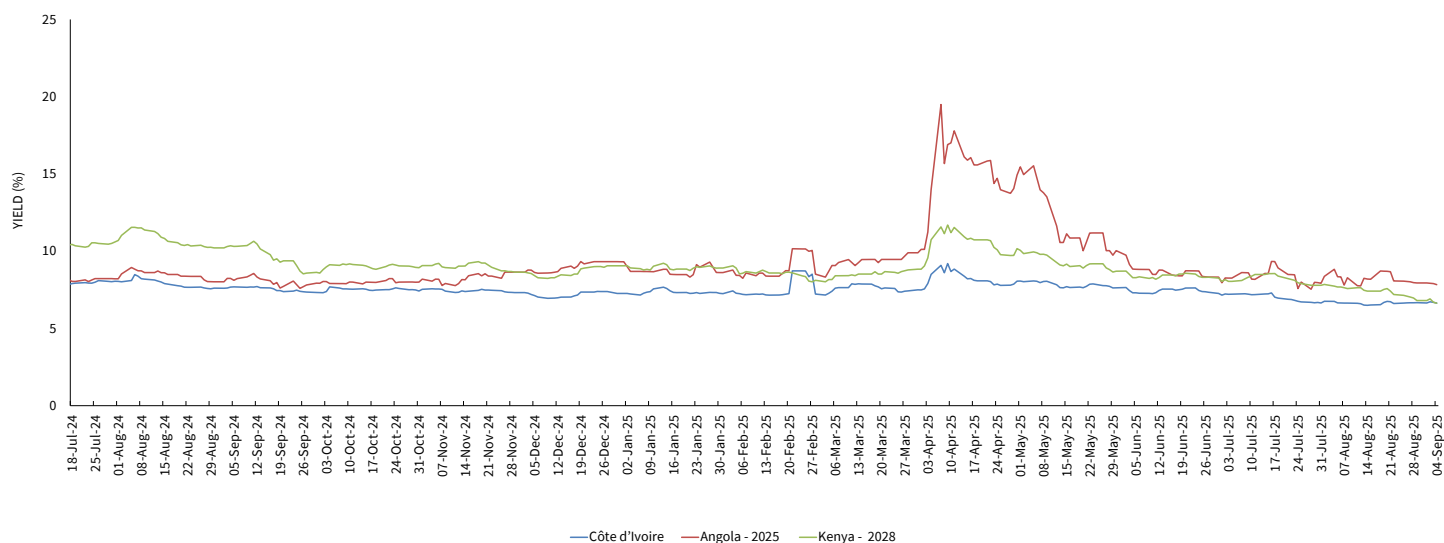
Table 6: Performance of Key Market Indicators

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 Turnover (KSh Mil- lion)	EuroBond Yields (%)				
									10-Year 2028	6-Year 2031	12-Year 2032	13-Year 2034	30-Year 2048
22-Aug-25	170.03	4381.70	2758.62	3,270	25.75	508.38	2,678.74	4122.5	7.194	8.645	8.875	9.421	9.9769
25-Aug-25	170.41	4395.53	2792.72	3,952	23.56	387.75	2,684.81	3636.65	7.139	8.611	8.846	9.422	9.977
26-Aug-25	172.35	4432.38	2845.04	4,401	30.06	572.02	2,715.30	21408.6	7.084	8.610	8.846	9.422	9.9933
27-Aug-25	171.57	4415.86	2837.16	4,341	27.00	327.60	2,703.06	21748.75	7.028	8.543	8.818	9.346	9.9291
28-Aug-25	172.05	4432.56	2839.52	4,429	30.38	463.47	2,710.56	15054.8	6.972	8.507	8.790	9.298	9.8972
Aug 22-28	172.05	4,432.56	2,839.52	20,393.00	136.76	2,259.22	2,710.56	65,971.30	6.972	8.507	8.790	9.298	9.897
29-Aug-25	172.60	4443.40	2845.64	4,122	56.29	1288.34	2,719.26	9324.85	6.805	8.372	8.703	9.197	9.834
1-Sep-25	173.64	4466.68	2874.69	5,041	32.50	668.57	2,735.66	8469.35	6.805	8.372	8.703	9.197	9.834
2-Sep-25	175.21	4499.55	2914.06	5,118	67.27	1692.89	2,760.48	15719.3	6.915	8.573	8.848	9.350	9.929
3-Sep-25	178.04	4555.90	2959.67	6,268	63.61	1726.60	2,804.97	9459.75	6.694	8.438	8.733	9.224	9.850
4-Sep-25	178.08	4546.06	2973.35	4,795	66.76	1785.64	2,805.65	7323.05	6.636	8.335	8.561	9.050	9.725
Aug 29-Sep 4	178.08	4546.06	2973.35	25,344.00	286.43	7,162.03	2,805.65	50,296.30	6.636	8.335	8.561	9.050	9.725
Weekly Changes (%)	3.50	2.56	4.71	24.28	109.45	217.01	3.51	-23.76	-0.335*	-0.172*	-0.229*	-0.248*	-0.172*

* 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)

	28-Jun-24	31-Dec-24	28-Mar-25	30-Apr-25	30-Jun-25	25-Jul-25	22-Aug-25	29-Aug-25
1. Treasury Bills (Excluding Repos)	615.89	846.10	915.44	946.92	1,036.87	1,047.19	1,053.52	1,055.07
<i>(As % of total securities)</i>	11.75	14.77	15.41	15.87	16.87	16.82	16.89	16.43
2. Treasury Bonds	4,627.12	4,884.05	5,025.43	5,020.02	5,110.01	5,180.21	5,182.29	5,367.27
<i>(As % of total securities)</i>	88.25	85.23	84.59	84.13	83.13	83.18	83.11	83.57
3. Total Securities (1+2)	5,243.01	5,730.15	5,940.87	5,966.93	6,146.88	6,227.40	6,235.81	6,422.34
4. Overdraft at Central Bank	61.02	37.48	86.51	84.93	67.63	46.70	110.24	34.86
5. Other Domestic debt*	106.25	101.15	99.32	112.24	111.50	112.00	108.45	108.46
of which IMF funds on-lent to Government	83.54	80.29	78.71	80.56	80.56	81.46	78.47	78.47
6. Gross Domestic Debt (3+4+5)	5,410.28	5,868.77	6,126.70	6,164.10	6,326.01	6,386.10	6,454.50	6,565.67

* 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	28-Jun-24	31-Dec-24	28-Mar-25	30-Jun-25	25-Jul-25	22-Aug-25	29-Aug-25
Treasury bills (Excluding Repos)	12.72	11.38	14.42	14.94	16.39	16.40	16.32	16.07
Treasury bonds	83.07	85.52	83.22	82.03	80.78	81.12	80.29	81.75
Overdraft at Central Bank	1.58	1.13	0.64	1.41	1.07	0.73	1.71	0.53
Other domestic debt	2.63	1.96	1.72	1.62	1.76	1.75	1.68	1.65
of which IMF fund on lent to government	1.98	1.54	1.37	1.28	1.27	1.28	1.22	1.20
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)

	31-Dec-24	28-Mar-25	30-Jun-25	25-Jul-25	08-Aug-25	15-Aug-25	22-Aug-25	29-Aug-25
Banking Institutions	45.05	45.41	45.15	44.89	44.80	45.02	44.99	44.69
Insurance Companies	7.32	7.13	7.23	7.31	7.32	7.29	7.23	7.30
Parastatals	5.60	6.07	5.98	5.89	5.88	5.81	5.88	5.80
Pension Funds	28.88	28.28	28.75	29.00	29.07	28.96	28.81	28.76
Other Investors	13.16	13.11	12.89	12.90	12.93	12.92	13.08	13.46
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

	Dec-23	Jun-24	Dec-24	Mar-25	Apr-25	May-25	June-25*
Domestic debt (KSh Bn)	5,050.11	5,410.28	5,868.77	6,126.70	6,164.10	6,203.54	6,326.01
Public & Publicly Guaranteed External debt (USD Bn)	38.92	39.77	39.11	40.51	41.19	41.07	42.44
Public & Publicly Guaranteed External debt (KSh Bn)	6,089.58	5,150.84	5,057.01	5,238.30	5,327.88	5,308.18	5,484.83
Public debt (KSh Bn)	11,139.69	10,561.12	10,925.78	11,364.99	11,491.98	11,511.72	11,810.84

* Provisional

Source: The National Treasury and Central Bank of Kenya