



Central Bank of Kenya

Weekly Statistical Bulletin

Key Monetary and Financial Indicators

January 12, 2018

The Interbank Market

The volumes traded in the interbank market decreased to an average of KSh 18.1 billion during the week ending January 10, 2018 from KSh 21.4 billion the previous week. The number of deals in the interbank market also decreased to an average of 38 from the previous week's average of 45. The weighted average interbank rate continued on its downward trend, decreasing to 5.60 per cent from 7.13 per cent in the previous week (**Table 1 and Chart 1**).

Kenya Shilling Exchange Rate

The Kenya shilling exchange rate remained largely stable against major international currencies as well as regional currencies for the week ending January 11, 2018. It strengthened against the US Dollar, the Euro and the Japanese Yen but weakened against the Sterling Pound. In the EAC Region, the shilling strengthened against the Uganda and Tanzania shilling, the Burundi Franc but weakened against the Rwanda Franc (**Table 2**).

Equity Market

Trading activity in the equities market improved across all the indicators. The equity price indices and the number of shares traded increased signaling an improvement in investor confidence. The gain in equity prices increased shareholders' wealth as measured by market capitalisation by 1.47 per cent (**Table 3**).

Bond Market and Eurobond Yields

The volume of bonds traded increased by 206.49 per cent in the week ending January 11, 2018, signaling increased investors' participation in the market after the festive season. Similarly, the deals traded increased to 186 from 110 in the previous week (**Table 3**).

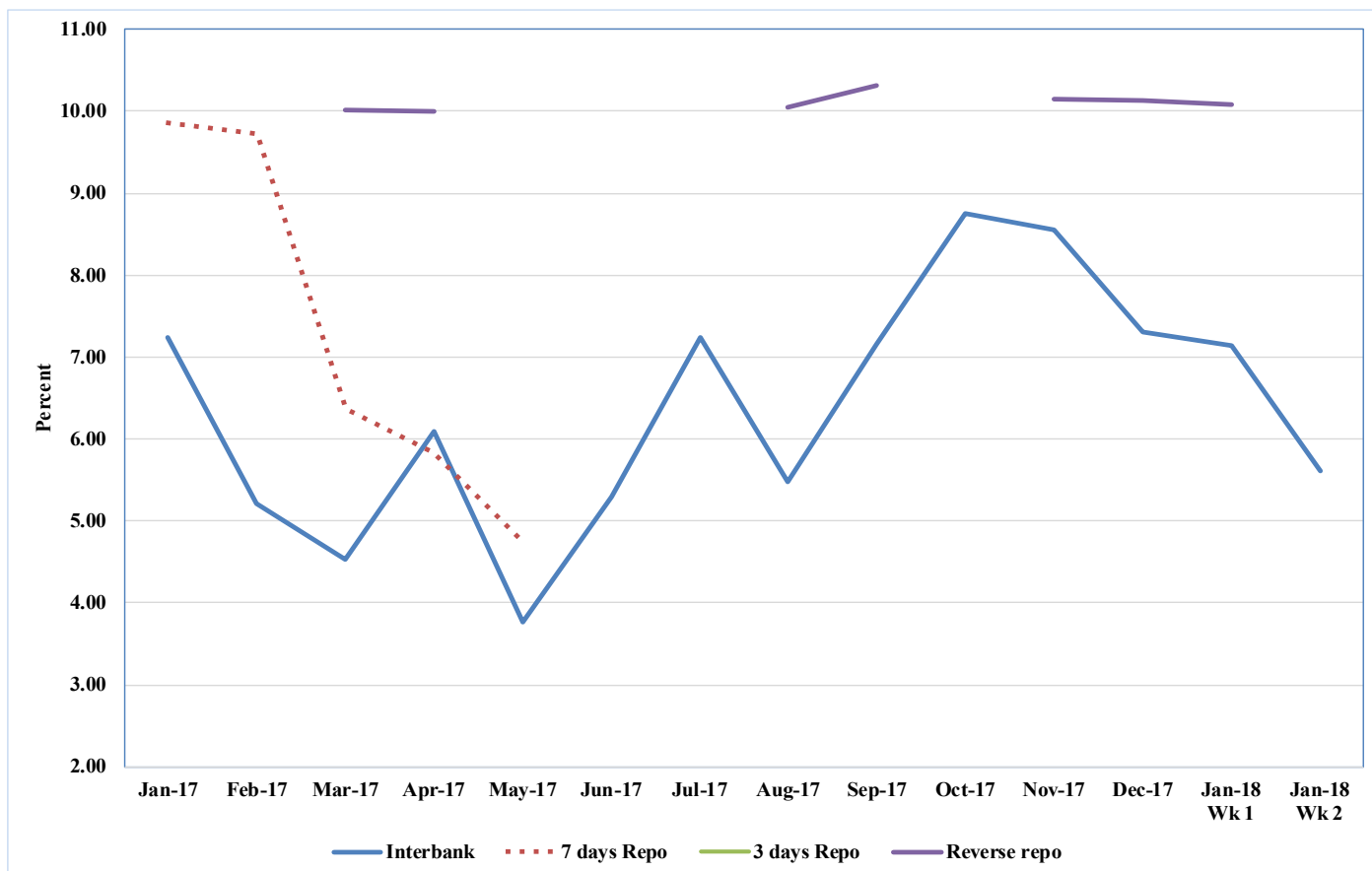
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Table 1: Interbank Deals, Volumes and Interest Rates

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)	7 days Average Repo Rate (%)	Reverse Repo Rate (%)
28-Dec-17	45	19,160	8.02		10.15
29-Dec-17	40	19,515	6.91		
2-Jan-18	48	22,295	6.99		10.10
3-Jan-18	45	24,590	6.62		10.00
Dec 28, 2017 - Jan 3, 2018	45	21,390	7		10
4-Jan-18	48	24,705	6.63		10.00
5-Jan-18	35	19,920	5.95	8.75	
8-Jan-18	35	14,330	5.62		
9-Jan-18	34	15,575	4.93		
10-Jan-18	40	15,985	4.89		
Jan 4, 2017 - Jan 10, 2018	38	18,103	5.60	8.75	10

Source: Central Bank of Kenya

Chart 1: Structure of Interest Rates



Source: Central Bank of Kenya

Table 2: Kenya Shilling Exchange Rate

	USD	Sterling Pound	Euro	100 Japanese Yen	USHS*	TSHS*	RWF*	BIF*
29-Dec-17	103.23	138.75	123.28	91.48	35.21	21.70	8.32	17.10
2-Jan-18	103.29	139.65	123.86	91.75	35.22	21.69	8.13	17.09
3-Jan-18	103.35	140.10	124.56	92.22	35.22	21.66	8.13	17.08
4-Jan-18	103.44	140.19	124.39	92.15	35.21	21.63	8.12	17.07
28 December 2017-4 January 2018	103.33	139.67	124.02	91.90	35.22	21.67	8.18	17.08
5-Jan-18	103.28	139.83	124.55	91.53	35.34	21.68	8.14	17.09
8-Jan-18	103.26	140.04	124.44	91.20	35.34	21.69	8.14	17.02
10-Jan-18	103.22	139.79	123.52	91.40	35.45	21.69	8.14	17.11
11-Jan-18	103.18	139.58	123.10	91.62	35.43	21.76	8.15	17.11
11-Jan-18	103.14	139.52	123.70	92.44	35.48	21.72	8.15	17.12
5-11 Jan 2018	103.21	139.75	123.86	91.64	35.41	21.71	8.14	17.09

* Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 3: Key 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 (%)
29-Dec-17	171.20	4,283.38	3,711.94	889	11.66	231.68	2,521.77	1,138.63	3.76	5.67
01-Jan-18	Public Holiday									
02-Jan-18	171.16	4,277.35	3,704.51	839	7.06	192.09	2,521.26	6.28	3.59	5.60
03-Jan-18	170.98	4,283.67	3,676.48	972	15.55	412.45	2,518.58	39.92	3.41	5.52
04-Jan-18	171.67	4,301.20	3,701.57	1,109	20.60	600.62	2,528.77	2,392.48	3.31	5.45
29 Dec 2017-4 Jan 2018	171.67	4,301.20	3,701.57	3,809	54.87	1,436.83	2,528.77	3,577.31	3.31	5.45
05-Jan-18	174.17	4,346.50	3,713.71	1,131	19.25	617.06	2,565.57	2,135.53	3.39	5.40
08-Jan-18	173.93	4,342.93	3,707.66	1,003	12.22	366.39	2,562.14	4,450.49	3.48	5.42
09-Jan-18	174.14	4,350.33	3,728.51	1,289	38.45	1,030.84	2,565.17	1,328.31	3.56	5.46
10-Jan-18	173.76	4,340.44	3,721.07	1,118	28.92	883.03	2,559.51	1,085.16	3.82	5.57
11-Jan-18	174.20	4,354.79	3,719.77	1,055	21.61	603.80	2,566.04	1,964.45	3.71	5.57
January 5 - 11, 2018	174.20	4,354.79	3,719.77	5,596	120.45	3,501.11	2,566.04	10,963.94	3.71	5.57
Weekly Change (%)	1.47	1.25	0.49	46.92	119.50	143.67	1.47	206.49	0.401*	0.115*

* Percentage points

Source: Nairobi Securities Exchange, Thomson Reuters and Central Bank of Kenya

Table 4: Performance of Treasury Bills

91-Day Treasury Bills								
Date of Auction	31-Aug-17	28-Sep-17	19-Oct-17	30-Nov-17	21-Dec-17	28-Dec-17	04-Jan-18	11-Jan-18
Amount offered (Ksh M)	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
Bids received (Ksh M)	2,773.01	4,023.90	1,672.96	8,509.05	907.63	5,207.84	3,583.22	5,031.54
Amount Accepted (Ksh M)	1,577.59	4,023.90	680.10	8,509.05	662.82	2,757.46	2,207.97	4,829.48
Maturities (Ksh M)	3,167.80	2,296.35	2,258.60	2,364.45	2,622.55	4,090.65	4,418.10	2,571.10
Average interest Rate (%) - 91 Days	8.139	8.130	8.078	8.011	8.005	8.080	8.080	8.049
182-Day Treasury Bills								
Date of Auction	31-Aug-17	28-Sep-17	19-Oct-17	30-Nov-17	21-Dec-17	28-Dec-17	04-Jan-18	11-Jan-18
Amount offered (Ksh M)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Bids received (Ksh M)	14,540.81	5,262.62	4,587.85	2,926.48	8,908.24	8,037.18	9,754.96	14,715.58
Amount Accepted (Ksh M)	11,463.28	5,241.99	3,942.07	2,648.09	8,227.94	7,562.55	8,521.37	10,419.78
Maturities (Ksh M)	22,446.95	0.00	0.00	14,627.80	11,272.00	10,213.40	15,526.55	4,278.00
Average interest Rate (%) - 182 days	10.316	10.317	10.314	10.478	10.583	10.649	10.685	10.661
364-Day Treasury Bills								
Date of Auction	31-Aug-17	28-Sep-17	19-Oct-17	30-Nov-17	21-Dec-17	28-Dec-17	04-Jan-18	11-Jan-18
Amount offered (Ksh M)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Bids received (Ksh M)	15,343.16	3,448.87	4,948.24	6,637.67	10,547.93	6,154.09	7,141.01	10,657.31
Amount Accepted (Ksh M)	13,019.38	3,448.87	3,747.03	6,187.90	9,600.54	4,804.81	4,660.49	10,147.10
Maturities (Ksh M)	9,843.80	8,085.20	5,223.25	4,847.90	2,163.05	0.00	3,722.25	1,444.25
Average interest Rate (%) - 364 days	10.922	10.958	10.985	11.045	11.128	11.151	11.162	11.170

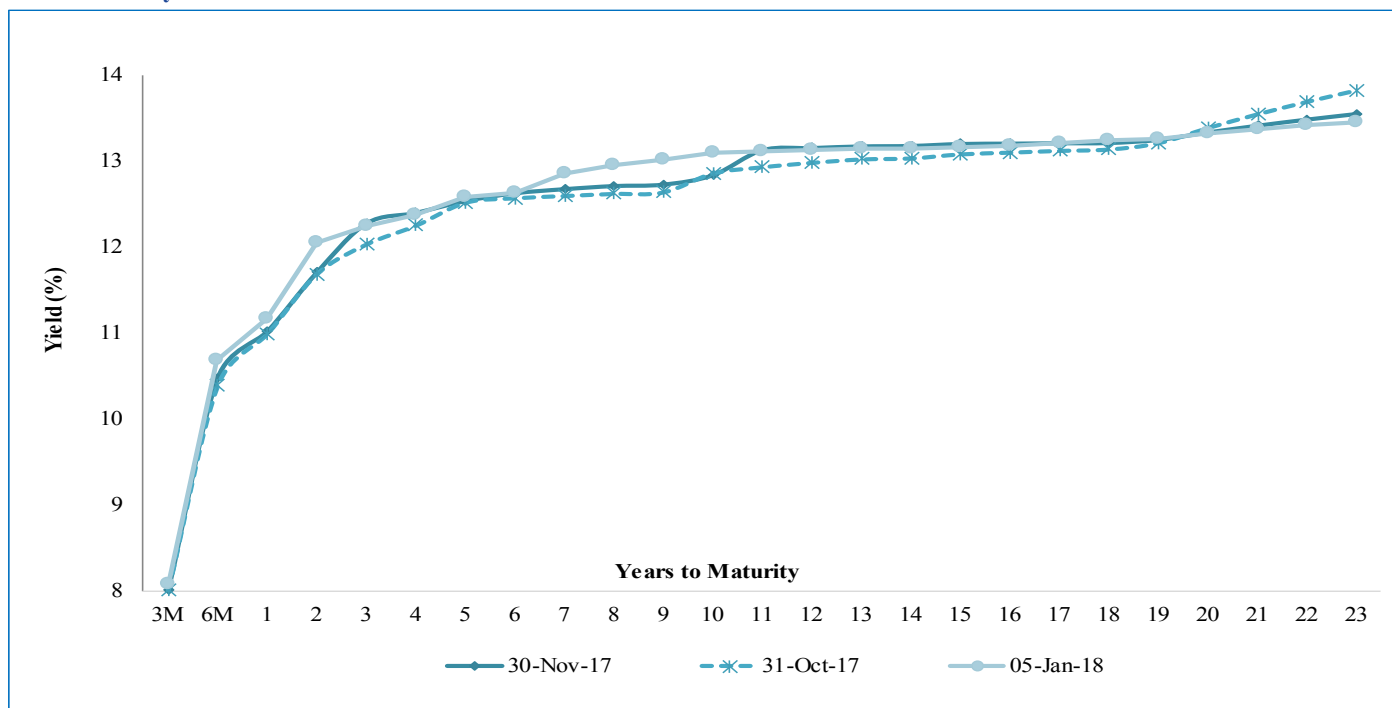
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bonds

Date of Auction	18-Oct-17	22-Nov-17	13-Dec-17		28-Dec-17	
Tenor	FXD 2/2017/5	IFB1/2017/7	FXD1/2008/15	FXD1/2017/10	TAP FXD1/2008/15	TAP FXD1/2017/10
Amount offered (Ksh)	30,000.0	30,000.0	30,000.0		20,000.0	
Bids received (Ksh M)	20,076.8	45,910.9	10,086.3	11,806.1	2,683.6	5,138.9
Amount Accepted (Ksh)	13,504.6	42,020.1	4,679.8	5,366.9	2,683.6	5,138.9
Maturities (Ksh M)	0.0	0.0	0.0	0.0	0.0	0.0
Average interest Rate	12.517	12.232	12.581	13.087	13.087	13.087

Source: Central Bank of Kenya

Chart 2: Kenya Government Securities Yield Curve



Source: Central Bank of Kenya

Table 6: Government Domestic Debt (KSh Billion)

	29-Sep-17	27-Oct-17	24-Nov-17	08-Dec-17	15-Dec-17	22-Dec-17	29-Dec-17	05-Jan-18
1. Treasury Bills (Excluding Repos)	724.80	734.84	709.79	700.44	687.54	680.79	684.72	686.51
(As % of total securities)	34.33	34.38	33.49	32.55	32.15	31.78	31.91	31.85
2. Treasury Bonds	1,386.56	1,402.49	1,409.71	1,451.16	1,451.16	1,461.25	1,461.25	1,469.11
(As % of total securities)	65.67	65.62	66.51	67.45	67.85	68.22	68.09	68.15
3. Total Securities (1+2)	2,111.36	2,137.33	2,119.51	2,151.60	2,138.70	2,142.04	2,145.97	2,155.62
4. Overdraft at Central Bank	24.72	17.70	33.88	28.00	36.82	44.74	42.32	41.52
5. Other Domestic debt*	36.47	40.50	32.83	32.82	32.59	32.59	32.58	32.59
6. Gross Domestic Debt (3+4+5)	2,172.55	2,195.53	2,186.21	2,212.42	2,208.11	2,219.36	2,220.87	2,229.73

* 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 7: Composition of Government Domestic Debt by Instrument (In Percent)

	30-Jun-17	25-Aug-17	29-Sep-17	27-Oct-17	24-Nov-17	01-Dec-17	08-Dec-17	15-Dec-17	22-Dec-17
Treasury bills (Excluding Repos)	35.2	34.4	33.4	33.5	32.5	31.6	31.7	31.1	30.7
Treasury bonds	63.1	63.3	63.8	63.9	64.5	65.1	65.6	65.7	65.8
CBK Overdraft to Govt	0.0	0.6	1.1	0.8	1.5	1.8	1.3	1.7	2.0
Other domestic debt	1.7	1.7	1.7	1.8	1.5	1.5	1.4	1.5	1.5
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 8: Composition of Government Domestic Debt by Holder (In Percent)

	25-Aug-17	29-Sep-17	27-Oct-17	17-Nov-17	24-Nov-17	01-Dec-17	08-Dec-17	15-Dec-17	22-Dec-17
Banking Institutions	55.9	55.9	55.2	54.8	54.7	54.7	54.2	54.2	54.3
Insurance Companies	6.2	6.2	6.2	6.3	6.3	6.3	6.3	6.4	6.4
Parastatals	6.5	6.3	6.5	6.7	7.0	6.9	6.9	7.0	6.9
Pension funds	27.2	27.3	27.8	27.7	27.6	27.6	28.0	27.9	27.8
Other investors	4.3	4.3	4.4	4.4	4.4	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	100.0

Source: Central Bank of Kenya

Table 9: Indicators of Total Government Debt

	Jun-15	Jun-16	Sep-16	Dec-16	Mar-17	Jun-17	Jul-17	Aug-17	Sep-17
Domestic debt (Kshs Bn)	1,420.44	1,815.13	1,854.55	1,930.98	1,944.95	2,111.71	2,123.79	2,135.93	2,176.59
Public & Publicly Guaranteed External debt (US \$ Bn)	14.3	17.8	18.2	18.5	20.4	22.1	22.2	22.4	22.4
Public & Publicly Guaranteed External debt (Ksh Bn)	1,408.61	1,796.20	1,838.42	1,832.45	2,101.39	2,294.40	2,305.54	2,309.78	2,310.20
Total public debt (Ksh Bn)	2,829.06	3,611.33	3,692.97	3,763.43	4,046.35	4,406.11	4,429.33	4,445.71	4,486.79

Source: The National Treasury & Central Bank of Kenya

Table 10: Official Foreign Reserves US\$ Million (Usable)

	05-Oct-17	12-Oct-17	19-Oct-17	24-Oct-17	31-Oct-17	09-Nov-17	16-Nov-17	23-Nov-17	30-Nov-17	07-Dec-17	14-Dec-17	21-Dec-17	28-Dec-17	04-Jan-18	11-Jan-18
1. CBK Usable Foreign Exchange Reserves (USD Million)*	7,412	7,373	7,311	7,214	7,143	7,108	7,111	7,081	7,099	7,128	7,091	7,037	7,063	7,081	7,044
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.92	4.90	4.86	4.79	4.74	4.72	4.72	4.70	4.71	4.78	4.75	4.71	4.73	4.74	4.72

*Excludes Encumbered Reserves

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

Source: Central Bank of Kenya