Central Bank of Kenya

Weekly Bulletin

August 29, 2025

RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending August 28, 2025. It exchanged at KSh 129.24 per U.S. dollar on August 28, unchanged from August 21 **(Table 1)**.

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 10,889 million (4.8 months of import cover) as of August 28. 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 August 28. Open market operations remained active. Commercial banks' excess reserves stood at KSh 17.1 billion in relation to the 3.25 percent cash reserves requirement (CRR). The average interbank rate was 9.58 percent on August 28 compared to 9.47 percent on August 21. During the week, the average number of interbank deals increased to 52 from 13 in the previous week, while the average value traded increased to KSh 32.4 billion from KSh 6.3 billion in the previous week **(Table 3)**.

Government Securities Market

The Treasury bill auction of August 28 received bids totalling KSh 32.0 billion against an advertised amount of KSh 24.0 billion, representing a performance of 133.5 percent. Interest rates on the 91-day, 182-day and 364-day Treasury bills remained stable **(Table 4)**.

Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices increased by 1.88 percent, 1.53 percent and 3.89 percent, respectively during the week ending August 28, 2025. Market capitalization and total shares traded also increased by 1.88 percent and 11.50 percent respectively, while equity turnover decreased by 25.26 percent **(Table 6)**.

Bond Market

Bond turnover in the domestic secondary market increased by 11.00 percent during the week ending August 28, 2025 **(Table 6)**. In the international market, yields on Kenya's Eurobonds decreased by 28.19 percent basis points on average. Yields for Angola and Côte d'Ivoire Eurobonds also decreased **(Chart 2)**.

Global Trends

Inflation concerns eased in the week ending August 28. In Japan, headline inflation fell to 3.1 percent in July from 3.3 percent in June, while core inflation declined to 3.1 percent from 3.3 percent over the same period. The U.S. Dollar Index weakened by 0.8 percent, partly weighed by rising investors' concerns about the U.S. Federal Reserve Bank independence and its monetary policy decisions.

International oil prices increased during the week, following the doubling of U.S. tariffs on imports from India to 50 percent, and drawdown of U.S. oil inventories. Murban crude price stood at USD 68.86 per barrel on August 28 compared to USD 66.65 on August 21.

Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
15-Aug-25	129.24	175.06	150.69	87.82	27.53	20.27	11.20	23.07
18-Aug-25	129.24	175.37	151.39	88.01	27.55	20.21	11.20	23.07
19-Aug-25	129.24	175.00	150.89	87.42	27.55	20.12	11.21	23.08
20-Aug-25	129.24	174.53	150.79	87.46	27.58	19.37	11.21	23.08
21-Aug-25	129.24	173.87	150.52	87.66	27.58	19.38	11.21	23.08
Aug 15-21	**129.24**	**174.77**	**150.85**	**87.67**	**27.56**	**19.87**	**11.21**	**23.08**
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**

**Units of currency per Kenya Shilling*
Source: Central Bank of Kenya

Table 2: Usable Foreign Exchange Reserves (USD Million)

	31-Jul-25	7-Aug-25	14-Aug-25	21-Aug-25	28-Aug-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	10,692	10,893	11,112	11,037	10,889
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.7	4.8	4.9	4.8	4.8

**Excludes encumbered reserves*
***Based on 36 months average of imports of goods and non –factor services*
Source: Central Bank of Kenya

Table 3: Money Market

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
15-Aug-25	18	8,700.00	9.44
18-Aug-25	15	7,500.00	9.44
19-Aug-25	9	3,600.00	9.45
20-Aug-25	13	6,900.00	9.43
21-Aug-25	12	4,800.00	9.47
Aug 15-21	**13**	**6,300.00**	**9.44**
22-Aug-25	13	8,200.00	9.46
25-Aug-25	60	36,604.00	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**

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**	**21-Aug-25**	**28-Aug-25**
Amount Offered (KSh M)	4000.00	4000.00	4000.00	4000.00	4000.00	4000.00
Bids Received (KSh M)	2242.28	2790.24	1449.26	1973.68	7773.05	19969.98
Amount Accepted (KSh M)	2208.47	2704.14	1442.77	1969.82	7686.68	19878.57
Maturities (KSh M)	3443.00	2191.25	2682.00	2171.90	4535.30	18897.20
Average Interest Rate (%)	**9.895**	**8.791**	**8.139**	**8.111**	**8.000**	**8.000**
182-Day Treasury Bills						
Date of Auction	**27-Dec-24**	**27-Mar-25**	**26-Jun-25**	**31-Jul-25**	**21-Aug-25**	**28-Aug-25**
Amount Offered (KSh M)	10000.00	10000.00	10000.00	10000.00	10000.00	10000.00
Bids Received (KSh M)	435.30	1706.31	1200.39	2141.04	12080.44	1804.38
Amount Accepted (KSh M)	435.30	1701.35	1198.53	2102.68	9202.42	1782.88
Maturities (KSh M)	1534.00	3580.40	321.35	2609.60	12857.20	7185.60
Average Interest Rate (%)	**10.022**	**9.058**	**8.461**	**8.410**	**8.071**	**8.050**
364-Day Treasury Bills						
Date of Auction	**27-Dec-24**	**27-Mar-25**	**26-Jun-25**	**31-Jul-25**	**21-Aug-25**	**28-Aug-25**
Amount Offered (KSh M)	10000.00	10000.00	10000.00	10000.00	10000.00	10000.00
Bids Received (KSh M)	2189.12	10249.39	11839.57	11978.10	7388.29	10254.91
Amount Accepted (KSh M)	2189.12	10104.04	11798.48	11951.23	7377.56	10250.60
Maturities (KSh M)	1918.60	8813.10	2094.10	1049.65	6372.70	2605.40
Average Interest Rate (%)	**11.410**	**10.412**	**9.722**	**9.718**	**9.573**	**9.569**

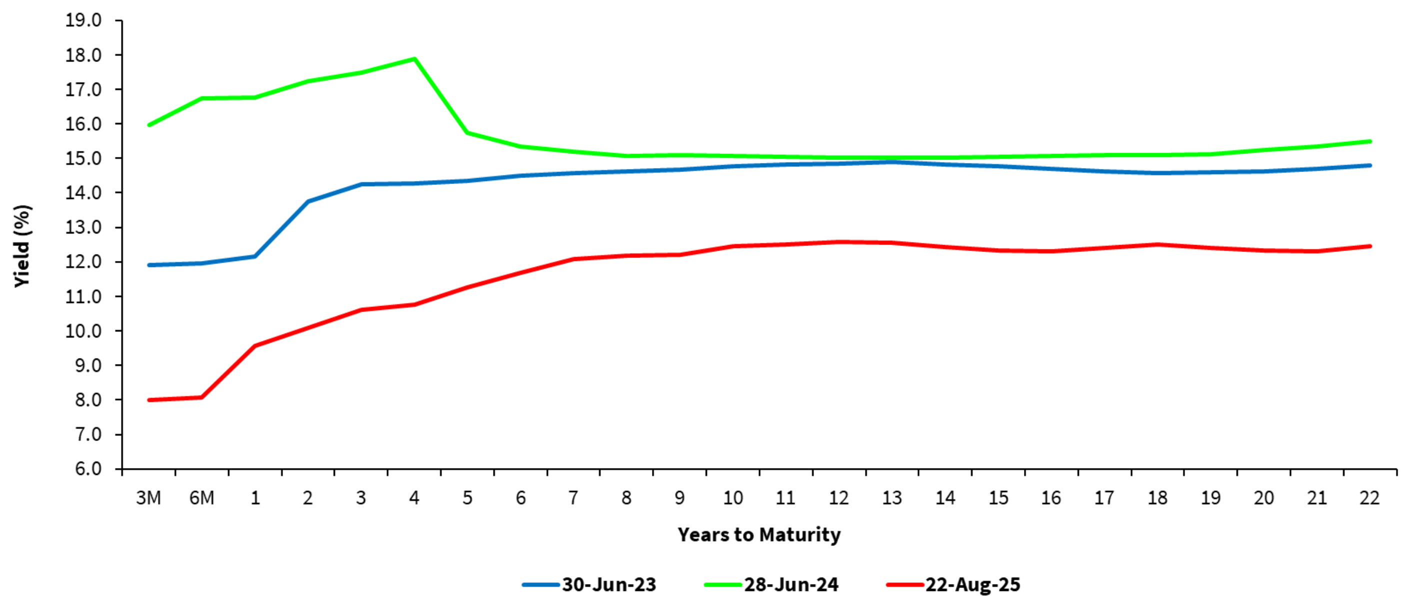
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	**18-Jun-25**		**9-Jul-25**		**13-Aug-25**		**20-Aug-25**	
	RE-OPEN		**RE-OPEN**		**RE-OPEN**		**TAP SALE**	
Tenor	**FXD1/ 2020/015**	**SDB1/ 2011/030**	**FXD1/ 2018/020**	**FXD1/ 2018/025**	**IFB1/ 2018/015**	**IFB1/ 2022/019**	**IFB1/ 2018/015**	**IFB1/ 2022/019**
Amount offered (KSh M)	50,000.00		50,000.00		90,000.00		50,000.00	
Bids received (KSh M)	84,734.64	16,623.28	33,075.11	43,832.49	215,941.68	107,489.73	130,339.80	77,114.65
Amount Accepted (KSh M)	57,872.64	13,766.11	30,572.40	36,078.54	50,658.38	44,355.22	127,982.99	51,791.91
Maturities (KSh M)								
Average interest Rate (%)	13.49	14.00	13.90	14.35	12.99	14.00	12.99	14.00

Source: Central Bank of Kenya

Chart 1: Government Securities Yield Curve



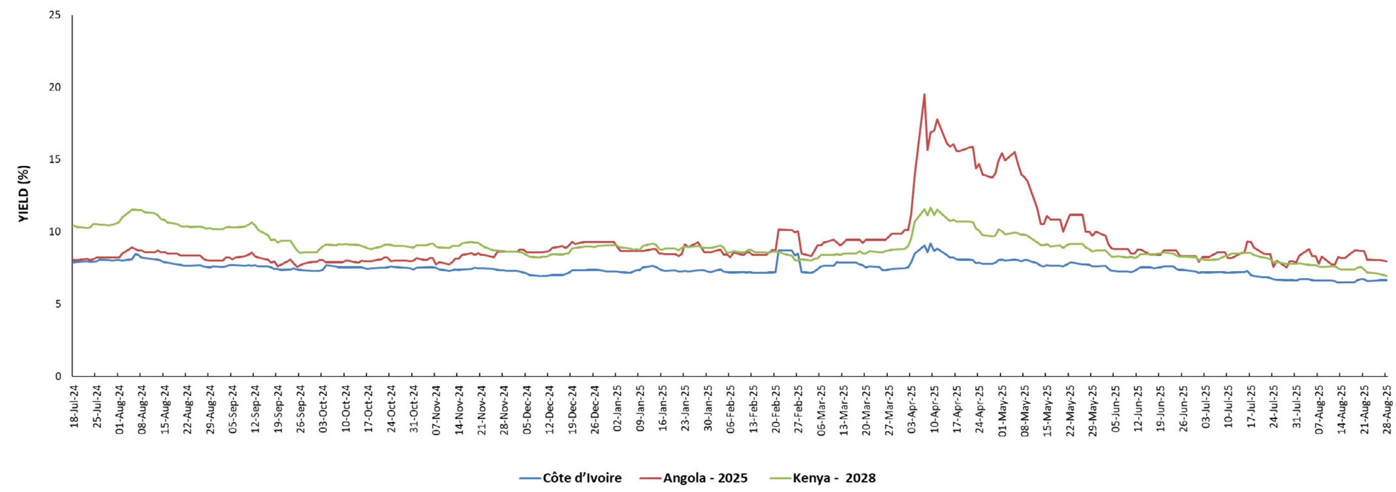
Source: Nairobi Securities Exchange (NSE)

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 Turnover (KSh Million)	Market Capitaliza-tion (KSh Billion)	Bonds Turnover (KSh Million)	EuroBond Yields (%)				
									10-Year 2028	6-Year 2031	12-Year 2032	13-Year 2034	30-Year 2048
15-Aug-25	165.66	4299.73	2670.48	3481	22.28	585.04	2610.03	6269.50	7.4142	8.8147	8.9305	9.441	10.0405
18-Aug-25	166.34	4316.91	2689.51	3425	21.92	607.32	2620.61	6292.40	7.4145	8.9182	8.96	9.4932	10.0569
19-Aug-25	166.18	4317.27	2700.67	3598	15.29	413.08	2618.14	12779.00	7.5258	8.8510	9.0774	9.5456	10.1224
20-Aug-25	167.75	4351.10	2728.26	3752	39.24	886.81	2642.83	25803.13	7.5820	8.7840	9.1366	9.6242	10.1555
21-Aug-25	168.87	4365.68	2733.31	3604	23.93	530.67	2660.53	8286.95	7.4161	8.7510	9.0496	9.5489	10.1066
Aug 14-21	**168.87**	**4365.68**	**2733.31**	**17860.00**	**122.65**	**3022.92**	**2660.53**	**59430.98**	**7.416**	**8.751**	**9.050**	**9.549**	**10.107**
22-Aug-25	170.03	4381.70	2758.62	3270	25.75	508.38	2678.74	4122.50	7.194	8.645	8.875	9.421	9.9769
25-Aug-25	170.41	4395.53	2792.72	3952	23.56	387.75	2684.81	3636.65	7.139	8.611	8.846	9.422	9.977
26-Aug-25	172.35	4432.38	2845.04	4401	30.06	572.02	2715.30	21408.60	7.084	8.610	8.846	9.422	9.9933
27-Aug-25	171.57	4415.86	2837.16	4341	27.00	327.60	2703.06	21748.75	7.028	8.543	8.818	9.346	9.9291
28-Aug-25	172.05	4432.56	2839.52	4429	30.38	463.47	2710.56	15054.80	6.972	8.507	8.790	9.298	9.8972
Aug 22-28	**172.05**	**4432.56**	**2839.52**	**20393.00**	**136.76**	**2259.22**	**2710.56**	**65971.30**	**6.972**	**8.507**	**8.790**	**9.298**	**9.897**
Weekly Changes (%)	**1.88**	**1.53**	**3.89**	**14.18**	**11.50**	**-25.26**	**1.88**	**11.00**	**-0.445***	**-0.244***	**-0.260***	**-0.251***	**-0.209***

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

Chart 2: 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	15-Aug-25	22-Aug-25
1. Treasury Bills (Excluding Repos)	615.89	846.10	915.44	946.92	1,036.87	1,047.19	1,053.42	1,053.52
(As % of total securities)	*11.75*	*14.77*	*15.41*	*15.87*	*16.87*	*16.82*	*16.90*	*16.89*
2. Treasury Bonds	4,627.12	4,884.05	5,025.43	5,020.02	5,110.01	5,180.21	5,180.21	5,182.29
(As % of total securities)	*88.25*	*85.23*	*84.59*	*84.13*	*83.13*	*83.18*	*83.10*	*83.11*
3. Total Securities (1+2)	5,243.01	5,730.15	5,940.87	5,966.93	6,146.88	6,227.40	6,233.63	6,235.81
4. Overdraft at Central Bank	61.02	37.48	86.51	84.93	67.63	46.70	59.77	110.24
5. Other Domestic debt*	106.25	101.15	99.32	112.24	111.50	112.00	108.46	108.45
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**	**6,401.86**	**6,454.50**

** 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	15-Aug-25	22-Aug-25
Treasury bills (Excluding Repos)	12.72	11.38	14.42	14.94	16.39	16.40	16.45	16.32
Treasury bonds	83.07	85.52	83.22	82.03	80.78	81.12	80.92	80.29
Overdraft at Central Bank	1.58	1.13	0.64	1.41	1.07	0.73	0.93	1.71
Other domestic debt	2.63	1.96	1.72	1.62	1.76	1.75	1.69	1.68
of which IMF fund on lent to government	1.98	1.54	1.37	1.28	1.27	1.28	1.23	1.22
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)

	28-Jun-24	31-Dec-24	28-Mar-25	30-Jun-25	25-Jul-25	8-Aug-25	15-Aug-25	22-Aug-25
Banking Institutions	45.12	45.05	45.41	45.15	44.89	44.80	45.02	44.99
Insurance Companies	7.23	7.32	7.13	7.23	7.31	7.32	7.29	7.23
Parastatals	5.13	5.60	6.07	5.98	5.89	5.88	5.81	5.88
Pension funds	29.60	28.88	28.28	28.75	29.00	29.07	28.96	28.81
Other investors	12.92	13.16	13.11	12.89	12.90	12.93	12.92	13.08
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	Dec-23	Jun-24	Dec-24	Mar-25	Apr-25	May-25	June-25*
Domestic debt (Ksh Bn)	4,832.11	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)	38.76	38.92	39.77	39.11	40.51	41.19	41.07	42.44
Public & Publicly Guaranteed External debt (Ksh Bn)	5,446.56	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)	**10,278.67**	**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