



Central Bank of Kenya

Weekly Bulletin

April 4, 2025



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Inflation

Overall inflation increased marginally to 3.6 percent in March 2025 from 3.5 percent in February 2025, largely driven by core inflation. Core inflation increased to 2.2 percent from 1.9 percent, mainly driven by higher prices of processed food items. Non-core inflation declined to 7.4 percent from 7.7 percent largely on account of the decline in inflation of food crops and related items sub-category (**Chart 1**).

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending April 3. It exchanged at KSh 129.25 per US dollar on April 3, compared to KSh 129.37 per US dollar on March 27 (**Table 1**).

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 9,936 million (5.1 months of import cover) as of April 3. 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 April 3. Open market operations remained active. Commercial banks' excess reserves stood at KSh 23.1 billion in relation to the 3.25 percent cash reserves requirement (CRR). The average interbank rate was at 10.68 percent on April 3 compared to 10.66 percent on March 27. During the week, the average number of interbank deals decreased to 14 from 21 in the previous week, while the average value traded decreased to KSh 6.8 billion from KSh 12.2 billion in the previous week (**Table 3**).

Government Securities Market

The Treasury bill auction of April 3 received bids totalling KSh 40.7 billion against an advertised amount of KSh 24.0 billion, representing a performance of 169.5 percent. Interest rate on the 91-day, 182-day and 364-day Treasury bills declined (**Table 4**).

During the Treasury bond auction of April 2, the reopened 15-year and 25-year fixed rate treasury bonds received bids totalling KSh 71.7 billion against an advertised amount of KSh 70.0 billion, representing a performance of 102.5 percent (**Table 5**).

Equity Market

At the Nairobi Securities Exchange, the NASI and NSE 25 share price indices increased by 0.6 percent and 0.3 percent, respectively, while the NSE 20 share price index decreased by 1.3 percent during the week ending April 3. Market capitalization, equity turnover and total shares traded, increased by 0.6 percent, 14.5 percent and 22.3 percent, respectively (**Table 6**).

Bond Market

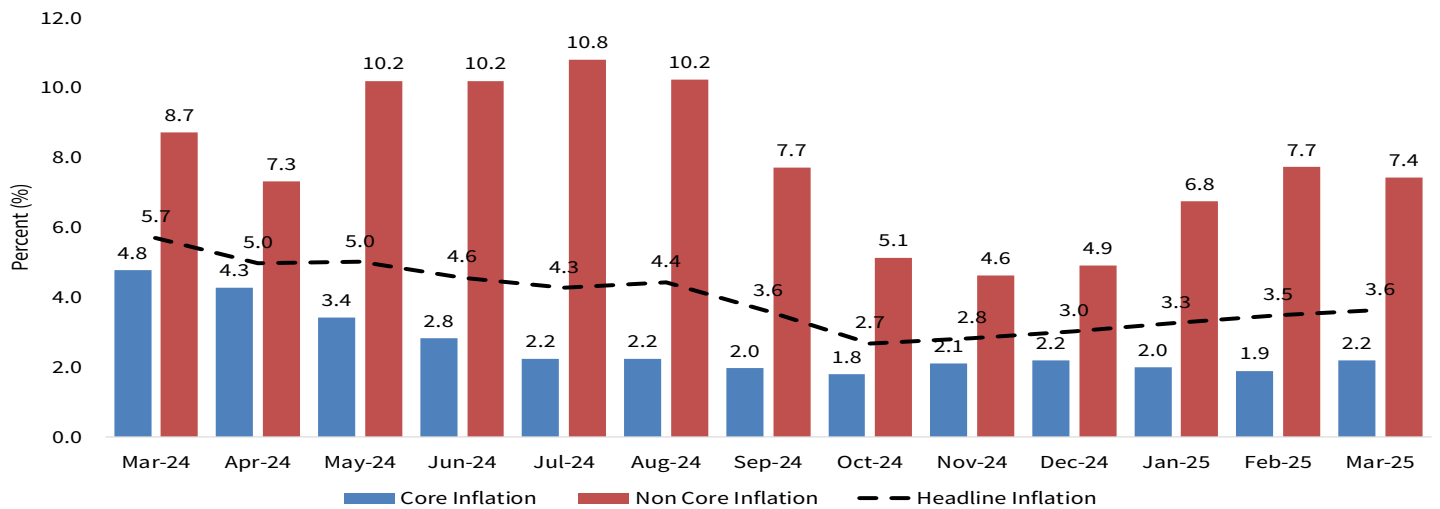
Bond turnover in the domestic secondary market decreased by 27.5 percent during the week ending April 3 (**Table 6**). In the international market, yields on Kenya's Eurobonds increased by 66.7 basis points on average. Similarly, yields on Angola and Côte d'Ivoire Eurobonds increased (**Chart 3**).

Global Trends

Inflation concerns eased slightly during the week, with Eurozone headline inflation declining to 2.2 percent in March from 2.3 percent in February 2025. However, trade tensions escalated during the week following the announcement of new tariffs by the US administration on all US imports, raising concerns about inflation, supply chain disruptions, and financial market volatility. The US Dollar Index strengthened by 0.3 percent during the week, driven by safe-haven demand amid heightened trade policy uncertainties.

International oil prices declined, with Murban oil trading at USD 71.86 per barrel on April 3 from USD 74.90 per barrel on March 27 reflecting concerns over global demand due to trade policy uncertainties, as well as the OPEC+ decision to increase production.

Chart 1: Inflation



Source: Central Bank of Kenya

Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
21-Mar-25	129.39	167.42	140.14	86.59	28.32	20.44	10.88	22.90
24-Mar-25	129.43	167.16	140.06	86.39	28.32	20.44	11.01	22.90
25-Mar-25	129.37	167.19	139.76	85.95	28.33	20.56	10.88	22.91
26-Mar-25	129.39	167.32	139.50	85.92	28.34	20.44	10.88	22.91
27-Mar-25	129.37	167.22	139.37	86.13	28.34	20.37	10.89	22.91
Mar 21-27	129.39	167.26	139.76	86.20	28.33	20.45	10.91	22.91
28-Mar-25	129.32	167.35	139.51	85.73	28.34	20.65	10.90	22.92
31-Mar-25	Public Holiday							
01-Apr-25	129.27	167.22	139.89	86.42	28.31	20.42	10.90	22.99
02-Apr-25	129.25	166.92	139.43	86.21	28.27	20.43	10.91	23.00
03-Apr-25	129.25	169.23	141.50	87.87	28.22	20.43	10.91	23.00
Mar 28-Apr 3	129.27	167.68	140.08	86.56	28.29	20.48	10.90	22.98

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 2: Usable Foreign Exchange Reserves (USD Million)

	06-Mar-25	13-Mar-25	20-Mar-25	27-Mar-25	03-Apr-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	9,142	10,055	10,001	9,956	9,936
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.7	5.1	5.1	5.1	5.1

*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 (%)
21-Mar-25	21	11,920.00	10.62
24-Mar-25	20	15,620.00	10.61
25-Mar-25	26	12,690.00	10.64
26-Mar-25	19	11,250.00	10.67
27-Mar-25	17	9,606.00	10.66
Mar 21-27	21	12,217.20	10.64
28-Mar-25	17	11,419.00	10.68
31-Mar-25	Public Holiday		
1-Apr-25	17	8,680.00	10.68
2-Apr-25	8	1,400.00	10.68
3-Apr-25	13	5,700.00	10.68
Mar 28- Apr 3	14	6,799.75	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	27-Mar-25	03-Apr-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	2,790.24	11,180.54
Amount Accepted (KSh M)	2,745.34	2,208.47	2,450.72	19,934.89	2,704.14	11,150.22
Maturities (KSh M)	3,922.10	3,443.00	7,518.90	16,257.75	2,191.25	8,132.35
Average Interest Rate (%)	15.977	9.895	9.522	8.937	8.791	8.629
182-Day Treasury Bills						
Date of Auction	27-Jun-24	27-Dec-24	30-Jan-25	27-Feb-25	27-Mar-25	03-Apr-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	1,706.31	4,494.61
Amount Accepted (KSh M)	1,479.67	435.30	2,520.57	6,896.23	1,701.35	4,475.57
Maturities (KSh M)	293.25	1,534.00	8,280.55	4,784.10	3,580.40	7,711.70
Average Interest Rate (%)	16.764	10.022	10.028	9.240	9.058	9.035
364-Day Treasury Bills						
Date of Auction	27-Jun-24	27-Dec-24	30-Jan-25	27-Feb-25	27-Mar-25	03-Apr-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	10,249.39	25,011.50
Amount Accepted (KSh M)	1,828.51	2,189.12	8,117.07	11,681.09	10,104.04	24,921.88
Maturities (KSh M)	1,679.00	1,918.60	4,035.60	10,152.85	8,813.10	15,649.80
Average Interest Rate (%)	16.791	11.410	11.313	10.500	10.412	10.387

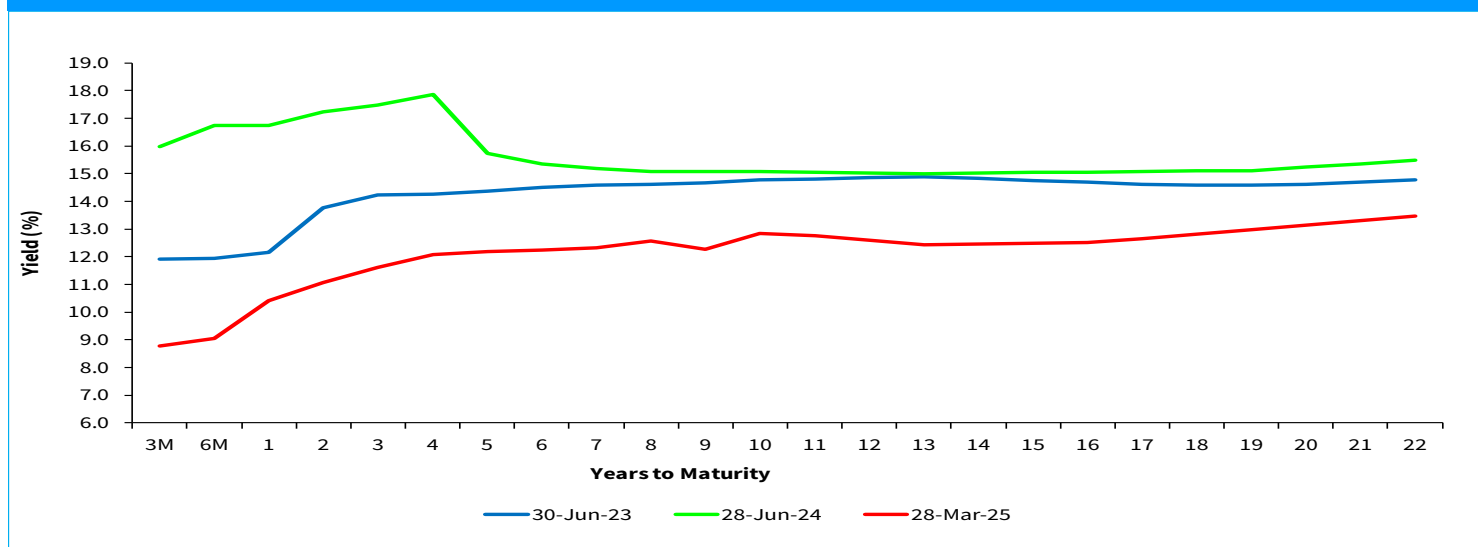
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	15-Jan-25		12-Feb-25		05-Mar-25	02-Apr-25		
	RE-OPEN		RE-OPEN		RE-OPEN	RE-OPEN		
Tenor	FXD1/ 2018/015	FXD1/ 2022/025	IFB1/ 2022/014	IFB1/ 2023/017	FXD1/ 2018/025	FXD1/ 2020/015	FXD1/ 2022/015	FXD1/ 2022/025
Amount offered (KSh M)	30,000.00		70,000.00		25,000.00	70,000.00		
Bids received (KSh M)	30,576.60	28,421.50	93,132.02	100,765.93	47,011.61	20,896.78	18,148.40	32,683.70
Amount Accepted (KSh M)	23,753.07	24,728.62	65,255.75	65,553.12	35,248.22	20,882.12	17,980.34	32,536.17
Maturities (KSh M)					27,693.90			
Average interest Rate (%)	14.21	15.68	13.98	14.28	13.80	13.67	13.83	14.23

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

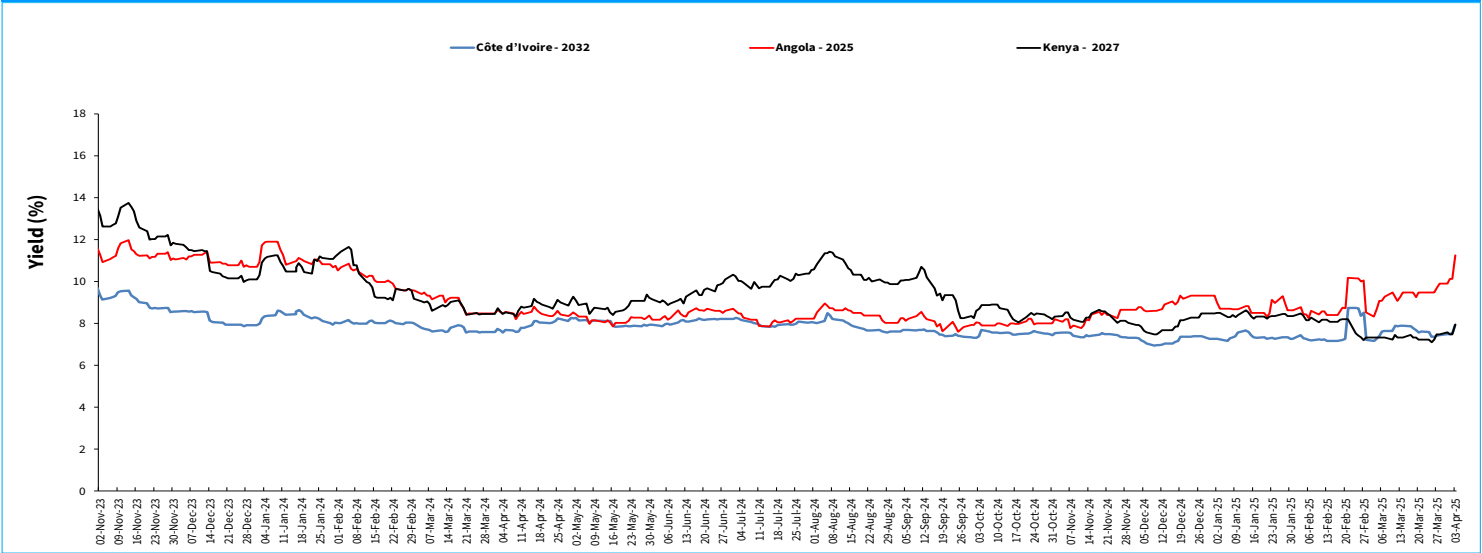
Table 6: Performance of Key Market Indicators

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
21-Mar-25	130.22	3534.87	2245.04	1,645.00	11.06	255.62	2046.863	12,684.20	7.221	8.676	10.010	10.084	10.140	10.481
24-Mar-25	129.75	3515.62	2240.76	1,756.00	10.14	175.27	2039.392	18,436.25	7.221	8.627	9.976	9.996	10.062	10.429
25-Mar-25	129.62	3505.23	2242.61	1,809.00	22.85	324.00	2037.328	10,934.61	7.105	8.577	9.976	9.938	10.011	10.412
26-Mar-25	130.24	3525.79	2254.26	2,061.00	24.21	326.13	2047.17	6,132.65	7.223	8.679	10.043	10.086	10.169	10.568
27-Mar-25	130.41	3527.24	2263.39	1,804.00	9.14	167.51	2049.829	19,217.50	7.461	8.732	10.211	10.207	10.250	10.620
Mar 21-27	130.41	3527.24	2263.39	9,075.00	77.39	1,248.52	2,049.83	67,405.21	7.461	8.732	10.211	10.207	10.250	10.620
28-Mar-25	130.81	3,532.38	2,226.88	2,164	30.1566	340.1011726	2056.067	16252.25	7.462	8.784	10.346	10.268	10.305	10.674
31-Mar-25	Public Holiday								7.583	8.836	10.449	10.419	10.413	10.799
1-Apr-25	131.59	3,548.88	2,241.24	2,264	24.7117	357.4418103	2068.292	13231.65	7.465	8.837	10.381	10.36	10.387	10.763
2-Apr-25	131.50	3,545.87	2,225.59	2,099	20.7634	388.9882637	2067.003	10213.95	7.466	9.044	10.517	10.482	10.469	10.891
3-Apr-25	131.25	3,537.01	2,233.39	1,835	19.0351	343.3706766	2063.045	9175.75	7.956	9.567	11.039	10.854	10.856	11.21
Mar 28 Apr 3	131.25	3537.01	2233.39	8,362.00	94.67	1,429.90	2,063.05	48,873.60	7.956	9.567	11.039	10.854	10.856	11.210
Weekly Changes (%)	0.64	0.28	-1.33	-7.86	22.32	14.53	0.64	-27.49	0.495*	0.835*	0.828*	0.647*	0.606*	0.590*

* 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	28-Jun-24	31-Oct-24	29-Nov-24	31-Dec-24	28-Feb-25	21-Mar-25	28-Mar-25
1. Treasury Bills (Excluding Repos)	614.73	615.89	760.13	834.73	846.10	886.83	912.79	915.44
<i>(As % of total securities)</i>	13.28	11.75	13.66	14.71	14.77	15.02	15.37	15.41
2. Treasury Bonds	4,013.89	4,627.12	4,802.76	4,840.35	4,884.05	5,016.91	5,025.43	5,025.43
<i>(As % of total securities)</i>	86.72	88.25	86.34	85.29	85.23	84.98	84.63	84.59
3. Total Securities (1+2)	4,628.62	5,243.01	5,562.89	5,675.08	5,730.15	5,903.74	5,938.21	5,940.87
4. Overdraft at Central Bank	76.46	61.02	28.63	31.77	37.48	60.57	76.54	86.51
5. Other Domestic debt*	127.04	106.25	102.01	102.44	101.15	100.05	98.92	98.92
of which IMF funds on-lent to Government	95.52	83.54	81.08	81.08	80.29	79.62	77.88	77.88
6. Gross Domestic Debt (3+4+5)	4,832.11	5,410.28	5,693.54	5,809.30	5,868.77	6,064.36	6,113.68	6,126.30

* 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-Oct-24	29-Nov-24	31-Dec-24	28-Feb-25	21-Mar-25	28-Mar-25
Treasury bills (Excluding Repos)	12.72	11.38	13.35	14.37	14.42	14.62	14.93	14.94
Treasury bonds	83.07	85.52	84.35	83.32	83.22	82.73	82.20	82.03
Overdraft at Central Bank	1.58	1.13	0.50	0.55	0.64	1.00	1.25	1.41
Other domestic debt	2.63	1.96	1.79	1.76	1.72	1.65	1.62	1.61
of which IMF fund on lent to government	1.98	1.54	1.42	1.40	1.37	1.31	1.27	1.27
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	28-Jun-24	31-Oct-24	29-Nov-24	31-Dec-24	28-Feb-25	21-Mar-25	28-Mar-25
Banking Institutions	46.17	45.12	45.09	45.36	45.05	45.40	45.41	45.41
Insurance Companies	7.31	7.23	7.20	7.15	7.32	7.23	7.17	7.13
Parastatals	5.98	5.13	5.45	5.43	5.60	5.97	6.09	6.07
Pension Funds*	33.42	29.60	29.16	28.94	28.88	28.29	28.28	28.28
Other Investors	7.13	12.92	13.11	13.13	13.16	13.11	13.05	13.11
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

	Sep-23	Dec-23	Mar-24	Jun-24	Oct-24	Nov-24	Dec-24*
Domestic debt (KSh Bn)	4,917.47	5,050.11	5,235.19	5,410.28	5,693.54	5,809.30	5,868.77
Public & Publicly Guaranteed External debt (USD Bn)	38.27	38.92	39.18	39.77	39.63	39.62	39.11
Public & Publicly Guaranteed External debt (KSh Bn)	5,667.80	6,089.58	5,163.42	5,150.84	5,120.31	5,138.13	5,057.01
Public debt (KSh Bn)	10,585.27	11,139.69	10,398.61	10,561.12	10,813.85	10,947.43	10,925.78

* Provisional

Source: The National Treasury and Central Bank of Kenya