



Central Bank of Kenya

Weekly Statistical Bulletin

Key Monetary and Financial Indicators

April 27, 2018

GDP Growth

The economy remained resilient in 2017, growing by 4.9 per cent compared to 5.9 percent in 2016, despite the adverse weather conditions that affected agriculture performance, coupled with uncertainties associated with the prolonged electioneering period. Economic growth was mainly supported by strong performance of the service sectors, such as Information and Communication, Accommodation and Restaurant, Wholesale and Retail trade, Transport and Storage, and Real Estate.

In the fourth quarter of 2017, the economy recorded improved performance and grew by 5.0 percent, compared to the third quarter which grew by 4.7 percent. The services sectors remained the main source of growth in the fourth quarter of 2017, and contributed 3.5 percentage points to real economic growth (**Table 1 and Chart 1**).

Interbank Market

The volumes traded in the interbank market decreased marginally to an average of KSh 13.8 billion during the week ending April 25, 2018 from KSh 14.4 billion in the previous week as banks facilitated remittances of VAT. The number of deals in the interbank market, however, increased to an average of 29 compared with an average of 23 in the previous week. Similarly, the weighted average interbank rate increased to 4.75 percent from 4.62 percent in the previous week (**Table 2**).

Exchange Rate

The Kenya Shilling strengthened against major international and regional currencies during the week ending April 26, 2018. The strengthening of the Shilling against the US Dollar was supported by dollar inflows from the transport sector and from small corporate clients as well as subdued dollar demand over the review period (**Table 3**).

Equity Market

The equity share prices, reflected by NASI 100, NSE 25 and NSE 20 share indices, declined by 2.12 percent, 1.28 percent and 0.60 percent, respectively during the week ending April 26, 2018. Equity turnover increased marginally by 0.17 percent as shares traded increased by 2.91 percent thereby offsetting the impact of lower share prices during the week under review. The decline in share prices reduced the shareholders wealth as measured by market capitalization by 2.10 percent to KSh 2,648.55 billion.

Bond Market and Eurobond Yields

Turnover in the bond market reduced by 22.75 percent in the week ending April 26, 2018 attributed mainly to investors' preference for FXD1/2008/15 and FXD1/2018/20 bonds in the primary market. The yields on all of Kenya's Eurobonds increased during the week ending April 26, 2018 (**Table 4**).

Government Securities

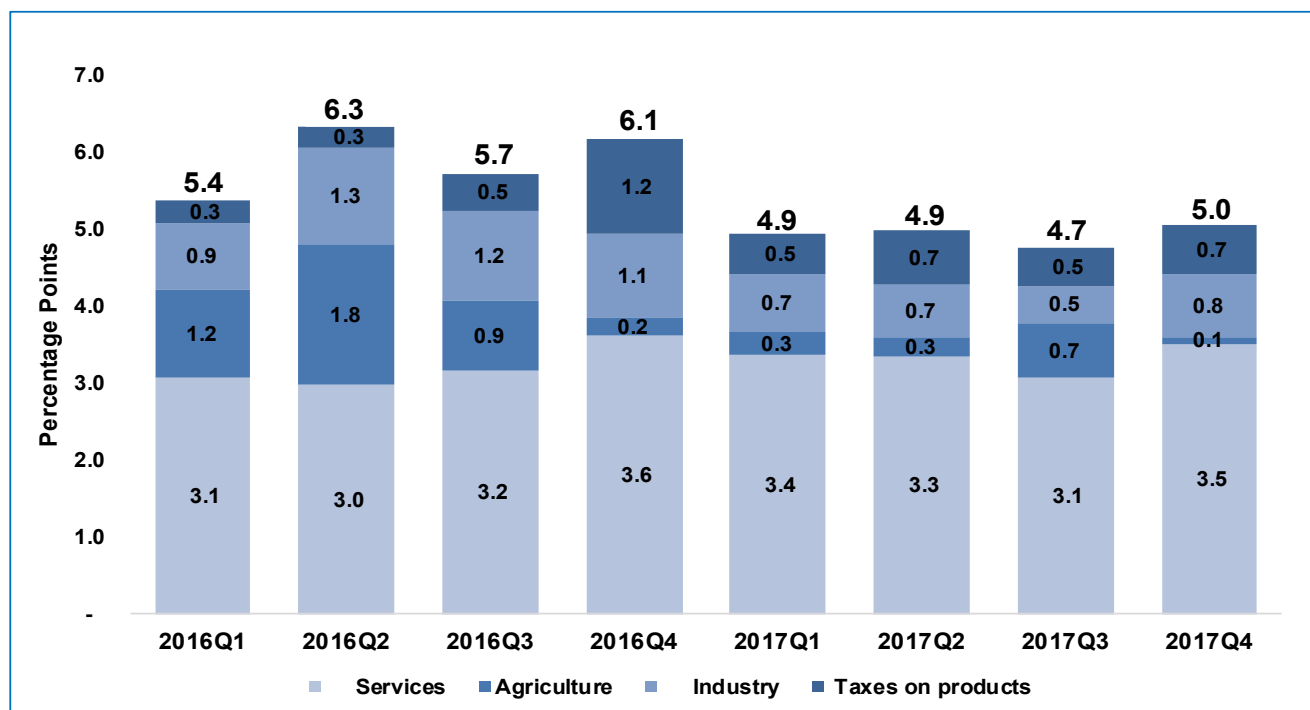
The government securities market performed well during the week ending April 26, 2018 with the Treasury bills auctions oversubscribed at 106.12 percent and interest rates remaining stable. The Treasury bill auction received bids of KSh 25.5 billion against an advertised amount of KSh 24.0 billion. There was evidence of preference for 182-day and 364-day tenors compared to 91-day Treasury bills (**Table 6**).

The Treasury bond auction registered a subscription rate of 81.9 percent and the yields for both the 15 and 20-year Treasury bonds remained stable.

Table 1: Real GDP Growth by Activity (%)

	Annual		Quarterly							
	2016	2017	2016Q1	2016Q2	2016Q3	2016Q4	2017Q1	2017Q2	2017Q3	2017Q4
1. Agriculture	4.7	1.6	4.4	7.6	4.7	1.3	1.2	1.1	3.8	0.5
2. Non-Agriculture (o/w)	6.2	5.8	5.7	5.9	6.0	7.2	6.2	6.1	4.9	6.0
2.1 Industry	5.7	3.6	4.7	6.5	6.0	5.6	4.0	3.6	2.5	4.2
Mining & Quarrying	9.5	6.1	6.7	10.6	9.8	11.2	7.3	5.6	5.8	5.7
Manufacturing	2.7	0.2	1.2	4.6	3.5	1.4	1.2	-0.1	0.0	-0.4
Construction	8.3	5.6	9.2	7.2	9.8	13.0	8.2	9.5	5.6	10.9
Electricity & water supply	9.8	8.6	10.6	11.8	6.7	4.3	6.1	6.0	4.5	5.8
2.2 Services	6.5	6.2	6.9	6.5	6.4	7.1	7.4	7.2	6.2	6.8
Wholesale & Retail Trade	3.4	5.7	3.5	2.1	3.7	4.4	4.8	5.4	6.2	6.2
Accommodation & restaurant	13.3	14.7	7.6	13.5	13.4	18.1	16.6	15.6	15.5	12.1
Transport & Storage	7.8	7.3	8.8	6.9	5.5	10.1	9.4	8.0	5.2	7.0
Information & Communication	9.7	11.0	10.6	8.9	8.8	10.2	12.5	10.8	10.7	10.1
Financial & Insurance	6.7	3.1	8.8	8.5	6.7	2.9	5.3	3.5	1.4	2.3
Public administration	4.8	5.3	5.4	6.2	4.5	2.9	4.4	5.3	5.1	6.3
Professional, Administration & Support Services	5.0	4.0	3.7	6.1	4.6	5.4	3.5	5.9	2.6	4.2
Real estate	8.8	6.1	9.4	8.7	8.4	8.5	7.2	6.9	6.0	4.6
Education	5.4	6.1	6.2	5.7	5.7	3.9	6.1	5.8	5.4	7.0
Health	4.8	6.0	4.1	5.2	5.8	3.8	4.7	6.7	6.1	6.2
Other services	4.1	5.0	4.0	3.8	4.3	4.4	6.6	5.2	4.5	3.7
FISIM	2.1	-5.7	9.8	5.9	0.4	-6.6	-1.3	-7.2	-6.3	-8.3
2.3 Taxes on products	4.8	5.1	2.8	2.5	4.0	9.9	5.2	6.3	4.0	5.3
Real GDP Growth	5.9	4.9	5.4	6.3	5.7	6.1	4.9	4.9	4.7	5.0

Source: Kenya National Bureau of Statistics

Chart 1: Evolution of Real GDP Growth

Source: Kenya National Bureau of Statistics

Table 2: Interbank Deals, Volumes and Interest Rates

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
12-Apr-18	19	12,500	5.05
13-Apr-18	20	11,440	4.37
16-Apr-18	25	13,500	4.58
17-Apr-18	24	14,050	4.65
18-Apr-18	29	20,350	4.46
April 12 - 18, 2018	23	14,368	4.62
19-Apr-18	27	14,050	4.60
20-Apr-18	33	15,050	4.84
23-Apr-18	28	14,675	4.79
24-Apr-18	29	13,850	4.79
25-Apr-18	29	11,130	4.71
April 19 - 25, 2018	29	13,751	4.75

Source: Central Bank of Kenya

Table 3: Kenya Shilling Exchange Rates (Indicative Mean Rates)

	USD	Sterling Pound	Euro	100 Japanese Yen	USHS*	TSHS*	RWF*	BIF*
13-Apr-18	100.87	143.19	124.16	93.93	36.61	22.44	8.59	17.46
16-Apr-18	100.77	143.71	124.19	93.63	36.64	22.54	8.60	17.47
17-Apr-18	100.63	144.02	124.61	93.83	36.67	22.54	8.61	17.50
18-Apr-18	100.40	143.71	124.02	93.76	36.75	22.64	8.63	17.54
19-Apr-18	100.40	142.87	124.35	93.69	36.75	22.73	8.63	17.54
April 13 - 19, 2018	100.61	143.50	124.27	93.77	36.69	22.58	8.62	17.50
20-Apr-18	100.26	142.69	124.12	93.40	36.84	22.85	8.65	17.57
23-Apr-18	100.06	140.35	122.76	92.87	36.94	22.82	8.67	17.60
24-Apr-18	99.98	139.60	122.38	92.35	37.01	22.85	8.68	17.75
25-Apr-18	100.05	139.74	122.32	91.76	36.98	22.89	8.67	17.61
26-Apr-18	100.11	139.59	122.03	91.66	37.01	22.79	8.67	17.60
April 20 - 26, 2018	100.09	140.39	122.72	92.41	36.96	22.84	8.67	17.63

* Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 4: Key Weekly Market Indicators

INDICATOR	NASI 100=2008	NSE 25 Share Index	NSE 20 Share Index 100=1996	Number of Deals	Total Shares Traded (Million)	Equity Turnover (KSh Million)	Market Capitalization (KSh Billion)	Bonds Turnover (KSh Million)	5-Year Euro-bond Yield (%)	10-Year Euro-bond Yield (%) - 2024	10-Year Euro-bond Yield (%) - 2028	30-Year Euro-bond Yield (%)
13-Apr-18	191.35	4,947.58	3,805.23	1,209	25	747	2,819	2,807	3.87	5.82	6.46	7.59
16-Apr-18	189.67	4,917.84	3,801.65	1,294	15	551	2,794	2,009	3.86	5.87	6.50	7.65
17-Apr-18	186.85	4,856.92	3,770.92	1,326	22	676	2,753	2,459	3.94	5.92	6.58	7.72
18-Apr-18	185.85	4,792.28	3,745.01	1,399	33	965	2,723	2,302	4.11	5.92	6.55	7.71
19-Apr-18	183.68	4,764.06	3,727.69	1,393	32	1,189	2,705	3,875	4.14	5.94	6.60	7.74
13-19 Apr, 2018	183.68	4764.06	3727.69	6,621	127	4,128	2,705	13,452	4.14	5.94	6.60	7.74
20-Apr-18	182.73	4,771.82	3,710.32	1,592	22	746	2,696	2,172	4.23	5.98	6.69	7.83
23-Apr-18	180.67	4,709.96	3,716.36	1,513	20	601	2,662	2,082	4.36	6.09	6.79	7.94
24-Apr-18	179.96	4,701.30	3,697.28	1,666	32	1,043	2,651	2,245	4.35	6.06	6.74	7.86
25-Apr-18	180.54	4,716.47	3,694.74	1,473	36	1,138	2,660	2,438	4.41	6.16	6.82	7.96
26-Apr-18	179.79	4,703.30	3,705.36	1,455	20	607	2,649	1,455	4.47	6.12	6.77	7.94
20-26 Apr, 2018	179.79	4703.30	3705.36	7,699	131	4,135	2,649	10,391	4.47	6.12	6.77	7.94
Weekly Change (%)	-2.12	-1.28	-0.60	16.28	2.91	0.17	-2.10	-22.75	0.37*	0.18*	0.17*	0.20*

* Percentage points

Source: Central Bank of Kenya, NSE and Reuters

Table 5: Performance of Treasury Bonds

Date of Auction	01-Mar-18		21-Mar-18		28-Mar-18		25-Apr-18	
	TAP	TAP			TAP FXD 1/2018/5	TAP FXD	FXD 1/2008/15	FXD 1/2018/20
Tenor								
Amount offered (Ksh M)	27,000.0		40,000.0		8,500.0		40,000.0	
Bids received (Ksh M)	318.0	3,501.4	37,645.9	13,738.8	7,739.2	7,769.3	22,864.2	9,904.2
Amount Accepted (Ksh M)	318.0	3,501.4	23,065.3	8,491.0	7,739.2	7,769.3	17,961.0	5,318.9
Maturities (Ksh M)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Average interest Rate (%)	12.676	12.906	12.299	13.336	12.299	13.336	12.317	13.327

Source: Central Bank of Kenya

Table 6: Performance of Treasury Bills**91-Day Treasury Bills**

Date of Auction	05-Apr-18	12-Apr-18	19-Apr-18	26-Apr-18
Amount offered (Ksh M)	4,000.00	4,000.00	4,000.00	4,000.00
Bids received (Ksh M)	2,954.15	1,754.94	5,173.57	1,069.85
Amount Accepted (Ksh M)	2,936.52	1,735.48	2,147.76	1,036.04
Maturities (Ksh M)	3,322.85	4,925.70	1,722.90	3,936.00
Average interest Rate (%) - 91 Days	8.006	8.000	8.000	8.000

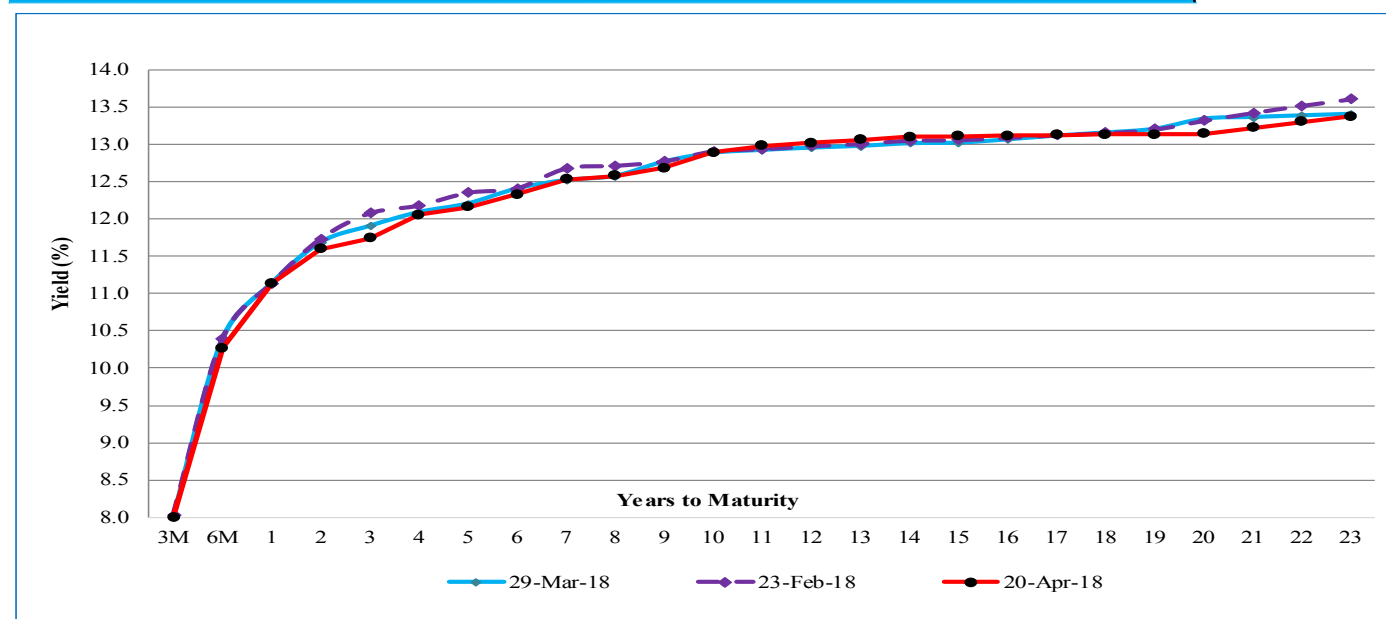
182-Day Treasury Bills

Date of Auction	05-Apr-18	12-Apr-18	19-Apr-18	26-Apr-18
Amount offered (Ksh M)	10,000.00	10,000.00	10,000.00	10,000.00
Bids received (Ksh M)	7,164.54	6,951.92	17,953.91	11,556.79
Amount Accepted (Ksh M)	7,026.40	6,850.89	15,985.32	9,369.59
Maturities (Ksh M)	2,228.80	4,560.60	4,580.10	1,425.20
Average interest Rate (%) - 182 days	10.318	10.268	10.266	10.268

364-Day Treasury Bills

Date of Auction	05-Apr-18	12-Apr-18	19-Apr-18	26-Apr-18
Amount offered (Ksh M)	10,000.00	10,000.00	10,000.00	10,000.00
Bids received (Ksh M)	15,561.84	12,191.99	15,863.25	12,843.13
Amount Accepted (Ksh M)	15,561.84	12,190.19	13,613.80	9,124.17
Maturities (Ksh M)	13,580.25	11,375.50	21,531.30	8,849.45
Average interest Rate (%) - 364 days	11.120	11.135	11.137	11.143

Source: Central Bank of Kenya

Chart 2: Kenya Government Securities Yield Curve

Source: Central Bank of Kenya and NSE

Table 7: Government Domestic Debt (Ksh Billion)

	09-Mar-18	16-Mar-18	23-Mar-18	29-Mar-18	06-Apr-18	13-Apr-18	20-Apr-18
1. Treasury Bills (Excluding Repos)	775.86	766.39	768.30	772.70	766.78	775.30	776.90
<i>(As % of total securities)</i>	34.15	33.87	33.93	33.59	33.19	33.44	33.48
2. Treasury Bonds	1,496.20	1,496.20	1,496.20	1,527.84	1,543.42	1,543.42	1,543.42
<i>(As % of total securities)</i>	65.85	66.13	66.07	66.41	66.81	66.56	66.52
3. Total Securities (1+2)	2,272.06	2,262.59	2,264.50	2,300.54	2,310.19	2,318.71	2,320.32
4. Overdraft at Central Bank	46.21	46.49	46.02	39.65	39.65	35.33	10.08
5. Other Domestic debt*	31.46	31.45	31.45	31.46	31.51	31.45	31.46
6. Gross Domestic Debt (3+4+5)	2,349.73	2,340.52	2,341.97	2,371.65	2,381.36	2,385.50	2,361.86

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

	09-Mar-18	16-Mar-18	23-Mar-18	29-Mar-18	06-Apr-18	13-Apr-18	20-Apr-18
Treasury bills (Excluding Repos)	33.0	32.7	32.8	32.6	32.2	32.5	32.9
Treasury bonds	63.7	63.9	63.9	64.4	64.8	64.7	65.3
CBK Overdraft to Govt	2.0	2.0	2.0	1.7	1.7	1.5	0.4
Other domestic debt	1.3	1.3	1.3	1.3	1.3	1.3	1.3
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Central Bank of Kenya

Table 9: Composition of Government Domestic Debt by Holder (In Percent)

	09-Mar-18	16-Mar-18	23-Mar-18	29-Mar-18	06-Apr-18	13-Apr-18	20-Apr-18
Banking Institutions	55.4	55.3	55.3	55.3	55.4	55.1	54.8
Insurance Companies	6.3	6.3	6.3	6.4	6.4	6.4	6.4
Parastatals	6.8	6.8	6.8	6.8	6.8	6.9	6.9
Pension funds	27.1	27.1	27.1	27.1	26.9	27.2	27.3
Other investors	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

Source: Central Bank of Kenya

Table 10: Indicators of Total Government Debt

	Mar-17	Jun-17	Sep-17	Dec-17	Jan-18	Feb-18	Mar-18
Domestic debt (Kshs Bn)	1,944.95	2,111.71	2,172.84	2,220.35	2,247.32	2,338.21	2,371.65
Public & Publicly Guaranteed External debt (US \$ Bn)	20.4	22.1	22.4	22.8	23.2	25.2	24.9
Public & Publicly Guaranteed External debt (Ksh Bn)	2,101.39	2,294.40	2,310.20	2,349.28	2,377.52	2,563.07	2,512.43
Total public debt (Ksh Bn)	4,046.35	4,406.11	4,483.03	4,569.63	4,624.84	4,901.29	4,884.08

Source: National Treasury and Central Bank of Kenya

Table 11: Official Foreign Reserves US\$ Million (Usable)

	22-Mar-18	29-Mar-18	05-Apr-18	12-Apr-18	19-Apr-18	26-Apr-18
1. CBK Usable Foreign Exchange Reserves (USD Million)*	8,791	8,848	8,816	8,833	9,495	9,509
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	5.87	5.91	5.89	5.90	6.35	6.36

*Excludes Encumbered Reserves

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

Source: Central Bank of Kenya