



Central Bank of Kenya

Weekly Statistical Bulletin

Key Monetary and Financial Indicators

JUNE 14, 2018

Interbank Market

Trading in the interbank market decreased during the week ending June 13, 2018, partly reflecting relatively improved banks' liquidity position. The volumes traded decreased to an average of KSh 14.4 billion from KSh 21.8 billion in the previous week while the number of deals decreased to an average of 24 from an average of 29. Similarly, the weighted average interbank rate decreased to 3.59 percent from 4.10 percent in the previous week (**Table 1**).

Exchange Rate

The Kenya Shilling remained stable against the USD Dollar and the Sterling Pound and, strengthened against the Japanese Yen during the week ending June 14, 2018. It, however, weakened against the Euro. In the EAC region, the Kenya Shilling strengthened against the Uganda Shilling and remained stable against the Tanzania shilling, Rwanda Franc, and the Burundi Franc (**Table 2**).

Equity Market

The equity market recorded mixed performance in the 4 trading days ending June 13, 2018. Overall equity prices increased as reflected by gains in NASI, despite the decline in NSE 25 and NSE 20 share indices. The volume and number of shares traded declined, reflecting shorter trading week. Shareholders' wealth, measured by market capitalization, rose by 0.67 percent as a result of the overall share gain (**Table 3**).

Bond Market

The volume of bonds traded rose by 12.39 percent in the week ending June 13, 2018, compared to the previous week. This improvement reflects continued appetite for fixed income assets (**Table 3**).

The yields on Kenyan Eurobonds increased across all the four tranches compared to the previous week. This reflects the general trend in the international bond market. Compared to 10-year Eurobonds issued by select African countries, the yield on Kenya's 10 year Eurobond remains lower and stable (**Chart 1**).

Table 1: Interbank Deals, Volumes and Interest Rates

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
31-May-18	42	30,635	4.33
4-Jun-18	26	23,580	4.11
5-Jun-18	21	14,790	3.95
6-Jun-18	26	18,250	4.01
May 31 - June 06, 2018	29	21,814	4.10
7-Jun-18	25	17,689	3.78
8-Jun-18	24	18,901	3.63
11-Jun-18	22	12,150	3.64
12-Jun-18	25	14,490	3.37
13-Jun-18	24	8,900	3.53
June 07 - 13, 2018	24	14,426	3.59

Source: Central Bank of Kenya

Table 2: Kenya Shilling Exchange Rates (Indicative Mean Rates)

	USD	Sterling Pound	Euro	100 Japanese Yen	USHS*	TSHS*	RWF*	BIF*
4-Jun-18	101.39	134.82	118.15	93.47	37.23	22.51	8.58	17.38
5-Jun-18	100.91	134.87	118.19	92.12	37.52	22.59	8.63	17.46
6-Jun-18	101.00	134.93	117.84	92.00	37.52	22.58	8.62	17.45
7-Jun-18	100.83	135.49	118.84	91.70	37.70	22.60	8.64	17.48
June 4-7, 2018	101.03	135.03	118.26	92.32	37.50	22.57	8.62	17.44
8-Jun-18	100.84	135.11	119.17	91.96	37.91	22.56	8.64	17.48
11-Jun-18	101.00	135.23	118.44	92.28	37.84	22.52	8.63	17.45
12-Jun-18	101.05	135.20	119.20	91.97	37.84	22.51	8.62	17.44
13-Jun-18	101.13	135.11	119.24	91.74	37.90	22.50	8.62	17.43
14-Jun-18	101.14	134.96	119.06	91.58	38.00	22.49	8.62	17.43
June 8-14, 2018	101.03	135.12	119.02	91.90	37.90	22.52	8.63	17.44

* Units of currency per Kenya Shilling

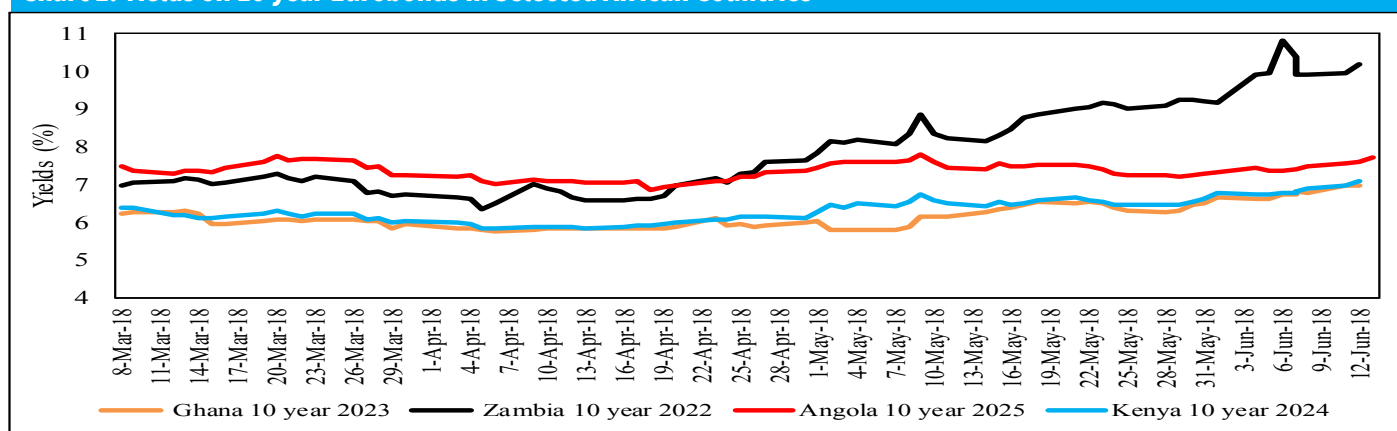
Source :Central Bank of Kenya

Table 3: Key Weekly Market Indicators

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 Euro-bond Yield (%)	10-Year Euro-bond Yield (%) - 2024	10-Year Euro-bond Yield (%) - 2028	30-Year Eurobond Yield (%)
31-May-18	172.53	4470.07	3333.36	1,480	30.42	1,116.17	2,549.15	4,010.49	5.279	6.620	7.194	8.118
4-Jun-18	172.36	4454.13	3273.22	1,247	25.18	664.07	2,546.53	2,410.84	5.425	6.741	7.262	8.127
5-Jun-18	173.82	4504.91	3308.88	1,377	17.37	641.06	2,568.24	2,455.06	5.374	6.731	7.266	8.172
6-Jun-18	176.65	4562.21	3334.20	1,271	25.15	858.88	2,610.04	2,849.34	5.572	6.772	7.302	8.172
7-Jun-18	177.03	4576.03	3349.77	1,182	32.14	952.20	2,615.68	3,613.22	5.621	6.782	7.342	8.158
31 May-7 June, 2018	177.03	4576.03	3349.77	6,557	130.27	4,232.38	2615.68	15,338.95	5.621	6.782	7.342	8.158
8-Jun-18	176.67	4,559.31	3352.85	1,281	10.08	283.12	2,610.43	5,496.75	5.721	6.823	7.394	8.305
11-Jun-18	178.29	4,582.62	3335.85	1,064	23.34	386.65	2,634.36	2,010.10	5.620	6.900	7.475	8.386
12-Jun-18	178.32	4,587.61	3357.28	1,516	34.56	994.34	2,634.73	5,498.73	5.771	6.957	7.579	8.386
13-Jun-18	178.21	4,564.15	3343.76	1,447	19.35	565.45	2,633.17	4,234.26	5.746	7.081	7.673	8.400
8-13 June, 2018	178.21	4564.15	3343.76	5,308	87.33	2,229.56	2633.17	17,239.83	5.746	7.081	7.673	8.409
Weekly Change (%)	0.67	-0.26	-0.18	-19.05	-32.96	-47.32	0.67	12.39	0.125*	0.299*	0.331*	0.251*

* Percentage points

Source: Central Bank of Kenya, NSE and Reuters

Chart 1: Yields on 10 year Eurobonds in Selected African Countries

Source: Central Bank of Kenya computation based on Thompson Reuters

Table 4: Performance of Treasury Bonds

Date of Auction	28-Sep-17		28-Dec-17		28-Mar-18		25-Apr-18		23-May-18	
Tenor	TAP FXD 1/2017/2	TAP FXD 1/2017/10	TAP FXD1/2008/15	TAP FXD1/2017/10	TAP FXD 1/2018/5	TAP FXD 1/2018/20	REOPEN FXD 1/2008/15	REOPEN FXD 1/2018/20	FXD1/2018/15	
Amount offered (Ksh M)	13,000.0		20,000.0		8,500.0		40,000.0		40,000.0	
Bids received (Ksh M)	11,137.6	635.0	2,683.6	5,138.9	7,739.2	7,769.3	22,864.2	9,904.2	20,217.0	
Amount Accepted (Ksh M)	11,137.6	635.0	2,683.6	5,138.9	7,739.2	7,769.3	20,152.6	6,786.1	12,863.5	
Maturities (Ksh M)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Average interest Rate (%)	11.619	13.072	12.581	13.087	12.299	13.336	12.317	13.327	13.078	

Source: Central Bank of Kenya

Table 5: Performance of Treasury Bills**91-Day Treasury Bills**

Date of Auction	22-Feb-18	29-Mar-18	26-Apr-18	31-May-18	07-Jun-18	14-Jun-18
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)	4,966.78	1,762.19	1,069.85	9,201.07	875.02	5,517.68
Amount Accepted (Ksh M)	4,966.78	1,761.56	1,036.04	5,278.73	875.02	3,556.05
Maturities (Ksh M)	4,428.95	2,790.30	3,936.00	7,393.15	3,227.80	1,899.45
Average interest Rate (%) - 91 Days	8.032	8.000	8.000	7.900	7.850	7.821

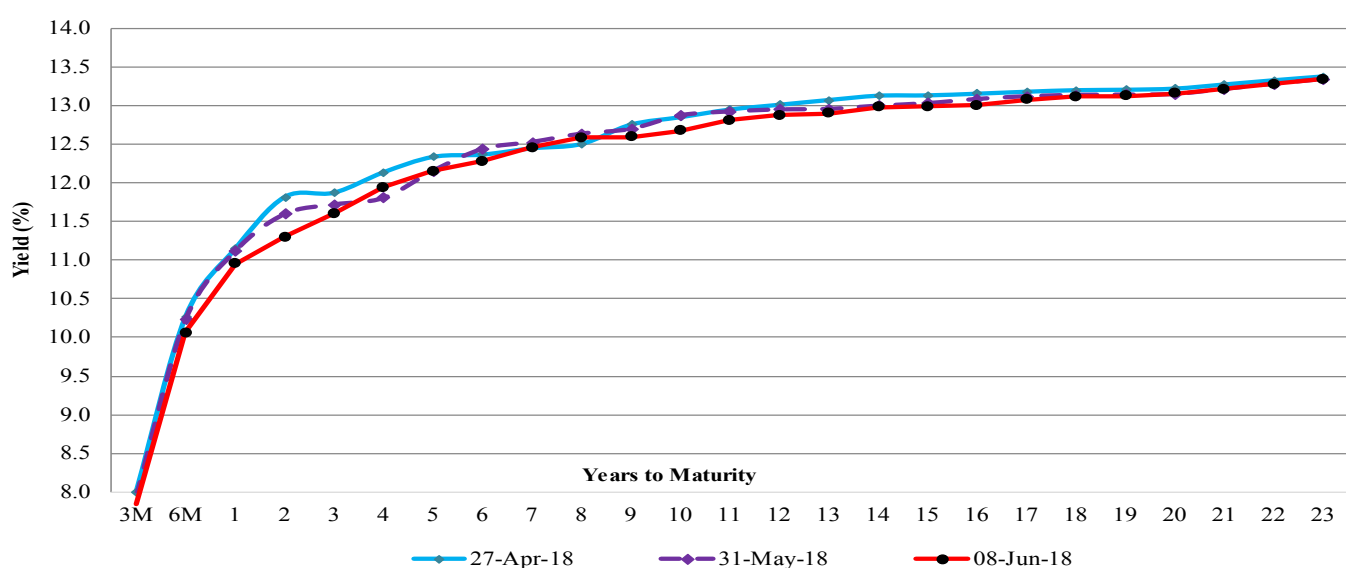
182-Day Treasury Bills

Date of Auction	22-Feb-18	29-Mar-18	26-Apr-18	31-May-18	07-Jun-18	14-Jun-18
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)	8,425.54	3,753.17	11,556.79	11,705.88	17,345.27	22,163.97
Amount Accepted (Ksh M)	8,425.54	3,753.17	9,369.59	5,650.43	11,750.60	3,985.87
Maturities (Ksh M)	6,255.45	5,467.05	1,425.20	2,763.15	6,214.40	5,299.10
Average interest Rate (%) - 182 days	10.395	10.384	10.268	10.196	10.061	9.800

364-Day Treasury Bills

Date of Auction	22-Feb-18	29-Mar-18	26-Apr-18	31-May-18	07-Jun-18	14-Jun-18
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)	11,731.74	7,149.41	12,843.13	23,759.30	32,289.38	34,586.94
Amount Accepted (Ksh M)	10,813.27	6,249.64	9,124.17	8,418.52	7,828.84	10,803.80
Maturities (Ksh M)	1,175.25	10,287.75	8,849.45	12,819.75	8,744.70	9,844.35
Average interest Rate (%) - 364 days	11.131	11.130	11.143	11.083	10.949	10.706

Source: Central Bank of Kenya

Chart 2: Kenya Government Securities Yield Curve

Source: Central Bank of Kenya and NSE

Table 6: Government Domestic Debt (Ksh Billion)

	26-Jan-18	23-Feb-18	29-Mar-18	27-Apr-18	25-May-18	31-May-18	08-Jun-18
1. Treasury Bills (Excluding Repos)	711.31	754.54	772.70	782.94	821.14	838.73	838.35
(As % of total securities)	32.93	33.80	33.59	33.95	35.08	35.36	35.35
2. Treasury Bonds	1,448.96	1,477.96	1,527.84	1,523.18	1,519.84	1,533.06	1,533.06
(As % of total securities)	67.07	66.20	66.41	66.05	64.92	64.64	64.65
3. Total Securities (1+2)	2,160.26	2,232.50	2,300.54	2,306.11	2,340.97	2,371.79	2,371.41
4. Overdraft at Central Bank	46.54	42.09	39.65	44.03	39.02	44.35	14.13
5. Other Domestic debt*	32.07	31.45	31.46	31.50	31.48	31.48	31.47
6. Gross Domestic Debt (3+4+5)	2,238.88	2,306.05	2,371.65	2,381.63	2,411.47	2,447.62	2,417.01

* 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 (Percent)

	26-Jan-18	23-Feb-18	29-Mar-18	27-Apr-18	25-May-18	31-May-18	8-Jun-18
Treasury bills (Excluding Repos)	31.8	32.7	32.6	32.9	34.1	34.3	34.7
Treasury bonds	64.7	64.1	64.4	64.0	63.0	62.6	63.4
CBK Overdraft to Govt	2.1	1.8	1.7	1.8	1.6	1.8	0.6
Other domestic debt	1.4	1.4	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 8: Composition of Government Domestic Debt by Holder (In Percent)

	26-Jan-18	23-Feb-18	29-Mar-18	27-Apr-18	25-May-18	31-May-18	8-Jun-18
Banking Institutions	54.9	55.3	55.3	55.0	55.2	55.3	54.7
Insurance Companies	6.4	6.3	6.4	6.3	6.4	6.4	6.5
Parastatals	6.9	6.7	6.8	7.0	6.9	6.9	7.1
Pension funds	27.5	27.2	27.1	27.3	27.1	26.9	27.2
Other investors	4.5	4.5	4.5	4.5	4.5	4.4	4.5
Total	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

	Mar-17	Jun-17	Sep-17	Dec-17	Jan-18	Feb-18	Mar-18
Domestic debt (KSh Billion)	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 \$ Billion)	20.4	22.1	22.4	22.8	23.2	25.2	24.9
Public & Publicly Guaranteed External debt (KSh Billion)	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 Billion)	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 10: Official Foreign Reserves US\$ Million (Usable)

	10-May-18	17-May-18	24-May-18	31-May-18	7-Jun-18	14-Jun-18
1. CBK Usable Foreign Exchange Reserves (USD Million)*	9,129	9,135	9,055	8,955	8,988	8,990
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	6.10	6.17	6.11	6.05	6.01	6.01

*Excludes Encumbered Reserves

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

Source: Central Bank of Kenya