Central Bank of Kenya

Weekly Bulletin

May 16, 2025

RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Exchange Rates
The Kenya Shilling remained stable against major international and regional currencies during the week ending May 15. It exchanged at KSh 129.25 per US dollar on May 15, compared to KSh 129.27 per US dollar on May 8 **(Table 1)**.

Foreign Exchange Reserves
The usable foreign exchange reserves remained adequate at USD 10,164 million (4.5 months of import cover) as of May 15. This meets the CBK's statutory requirement to endeavour to maintain at least 4 months of import cover **(Table 2)**.

Remittances
Remittance inflows in April 2025 amounted to USD 422.9 million, reflecting a 6.4 percent year-on-year increase from USD 397.3 million in April 2024 **(Chart 1).** The cumulative inflows for the 12 months to April 2025 increased by 12.1 percent to USD 4,997 million compared to USD 4,457 million in the corresponding period of 2024. These sustained inflows continue to underpin Kenya's current account stability and bolster foreign exchange market resilience. The United States accounted for 56 percent of total remittances in April 2025, reinforcing its position as the dominant source of remittances.

Money Market
The money market remained liquid during the week ending May 15. Open market operations remained active. Commercial banks' excess reserves stood at KSh 17.4 in relation to the 3.25 percent cash reserves requirement (CRR). The average interbank rate was at 9.85 percent on May 15 compared to 9.90 percent on May 8. During the week, the average number of interbank deals increased marginally to 17 from 15 in the previous week, while the average value traded increased to KSh 9.4 billion from KSh 8.92 billion in the previous week **(Table 3)**.

Government Securities Market
The Treasury bill auction of May 15 received bids totalling KSh 43.1 billion against an advertised amount of KSh 24.0 billion, representing a performance of 179.7 percent. Interest rate 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 5.7 percent, 5.3 percent, and 4.3 percent respectively during the week ending May 15, 2025. Similarly, Market capitalization, total shares traded, and equity turnover increased by 5.7 percent, 99.7 and 56.9 percent, respectively **(Table 6).**

Bond Market
Bond turnover in the domestic secondary market increased by 14.3 percent during the week ending May 15 **(Table 6).** In the international market, yields on Kenya's Eurobonds decreased by 43.2 basis points on average. Yields on Angola and Côte d'Ivoire Eurobonds also decreased **(Chart 3)**.

Global Trends
Inflation concerns eased during the week, with the U.S. inflation for April dropping to 2.3 percent from 2.4 percent in March, indicating easing pressures. Core CPI, excluding food and energy, was 2.8 percent year-over-year in April. The US Dollar Index strengthened by 0.2 percent over the week, influenced by global trade uncertainties.

International oil prices increased during the week, with Murban crude trading at USD 64.01 per barrel on May 15, up from USD 62.87 on May 8 driven by easing trade tensions between the US and its main trading partners.

Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
02-May-25	129.50	172.41	146.42	89.12	28.29	20.62	10.90	22.97
05-May-25	129.31	172.02	146.70	89.76	28.30	20.73	10.93	23.00
06-May-25	129.28	171.98	146.42	89.97	28.29	20.78	10.92	23.01
07-May-25	129.25	172.57	146.75	90.26	28.30	20.87	10.92	23.01
08-May-25	129.27	172.08	146.13	89.81	28.30	20.87	10.93	23.01
May 2-8	**129.32**	**172.21**	**146.48**	**89.78**	**28.30**	**20.77**	**10.92**	**23.00**
09-May-25	129.27	171.09	145.13	88.81	28.33	20.93	10.93	23.01
12-May-25	129.27	171.75	145.16	88.60	28.31	20.87	11.02	23.01
13-May-25	129.23	170.58	143.66	87.49	28.31	20.85	10.94	23.02
14-May-25	129.23	171.91	144.59	87.97	28.32	20.84	10.94	23.02
15-May-25	129.25	171.60	144.72	88.55	28.26	20.77	10.94	23.02
May 9-15	**129.25**	**171.39**	**144.65**	**88.28**	**28.31**	**20.85**	**10.95**	**23.02**

Units of currency per Kenya Shilling

Source: Central Bank of Kenya

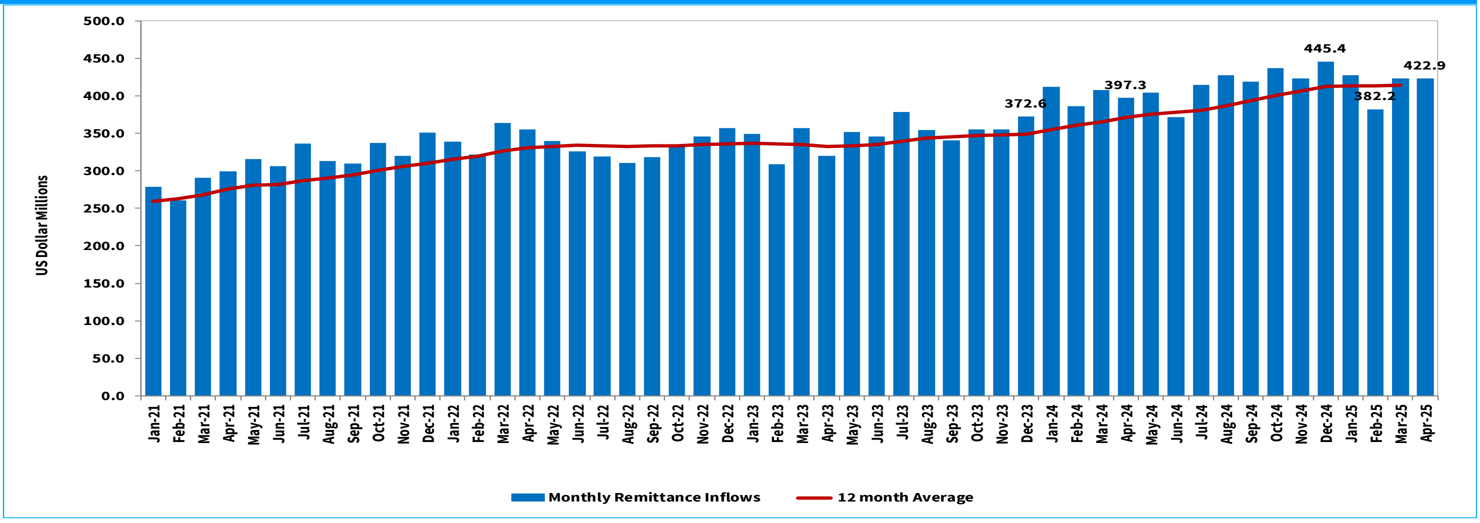
Table 2: Usable Foreign Exchange Reserves (USD Million)

	17-Apr-25	24-Apr-25	30-Apr-25	08-May-25	15-May-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	9,808	9,805	9,749	10,291	10,164
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.4	4.4	4.4	4.6	4.5

Excludes encumbered reserves
***Based on 36 months average of imports of goods and non –factor services*

Source: Central Bank of Kenya

Chart 1: Remmittances



Source: Central Bank of Kenya

Table 3: Money Market

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
2-May-25	18	11,600.00	9.92
5-May-25	9	3,550.00	9.93
6-May-25	14	9,150.00	9.91
7-May-25	17	6,150.00	9.91
8-May-25	19	14,150.00	9.90
May 2-8	**15**	**8,920.00**	**9.91**
9-May-25	25	16,000.00	9.90
12-May-25	15	5,350.00	9.86
13-May-25	21	15,125.00	9.85
14-May-25	15	4,260.00	9.94
15-May-25	11	6,310.00	9.85
May 9-15	**17**	**9,409.00**	**9.88**

Source: Central Bank of Kenya

Table 4: Performance of Treasury Bill Auctions

91-Day Treasury Bills						
Date of Auction	**30-Jan-25**	**27-Feb-25**	**27-Mar-25**	**30-Apr-25**	**08-May-25**	**15-May-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)	2,465.23	17,956.38	2,790.24	2,184.51	10,336.13	8,088.84
Amount Accepted (KSh M)	2,450.72	19,934.89	2,704.14	2,182.56	10,287.87	8,070.44
Maturities (KSh M)	7,518.90	16,257.75	2,191.25	2,380.85	10,074.15	2,434.40
Average Interest Rate (%)	**9.522**	**8.937**	**8.791**	**8.406**	**8.382**	**8.370**
182-Day Treasury Bills						
Date of Auction	**30-Jan-25**	**27-Feb-25**	**27-Mar-25**	**30-Apr-25**	**08-May-25**	**15-May-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)	2,863.29	6,896.23	1,706.31	1,283.06	20,829.84	5,356.24
Amount Accepted (KSh M)	2,520.57	6,896.23	1,701.35	1,283.06	20,782.88	5,320.83
Maturities (KSh M)	8,280.55	4,784.10	3,580.40	6,157.90	24,488.35	14,980.50
Average Interest Rate (%)	**10.028**	**9.240**	**9.058**	**8.619**	**8.601**	**8.583**
364-Day Treasury Bills						
Date of Auction	**30-Jan-25**	**27-Feb-25**	**27-Mar-25**	**30-Apr-25**	**08-May-25**	**15-May-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)	8,133.60	11,696.07	10,249.39	14,906.47	21,502.16	29,680.72
Amount Accepted (KSh M)	8,117.07	11,681.09	10,104.04	14,906.47	19,642.88	24,020.77
Maturities (KSh M)	4,035.60	10,152.85	8,813.10	12,255.55	15,122.70	17,981.65
Average Interest Rate (%)	**11.313**	**10.500**	**10.412**	**10.006**	**10.010**	**10.002**

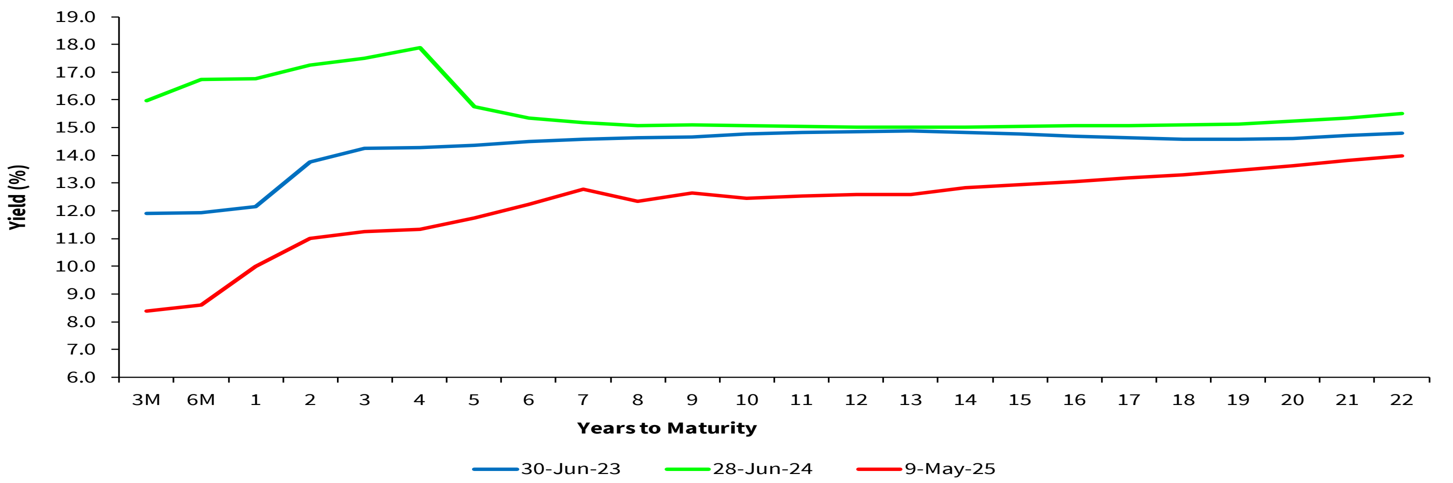
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	02-Apr-25			10-Apr-25	30-Apr-25		07-May-25
	RE-OPEN			TAP	RE-OPEN		RE-OPEN
Tenor	FXD1/ 2020/015	FXD1/ 2022/015	FXD1/ 2022/025	FXD1/ 2020/015	FXD1/ 2022/015	FXD1/ 2022/025	FXD1/ 2012/20
Amount offered (KSh M)	70,000.00			10,000.00	50,000.00		30,000.00
Bids received (KSh M)	20,896.78	18,148.40	32,683.70	13,239.65	26,413.49	30,681.72	54,388.38
Amount Accepted (KSh M)	20,882.12	17,980.34	32,536.17	12,592.55	25,280.99	25,103.28	43,520.27
Maturities (KSh M)					69,619.55		14,230.89
Average interest Rate (%)	13.67	13.83	14.23	13.67	13.91	14.54	13.65

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve



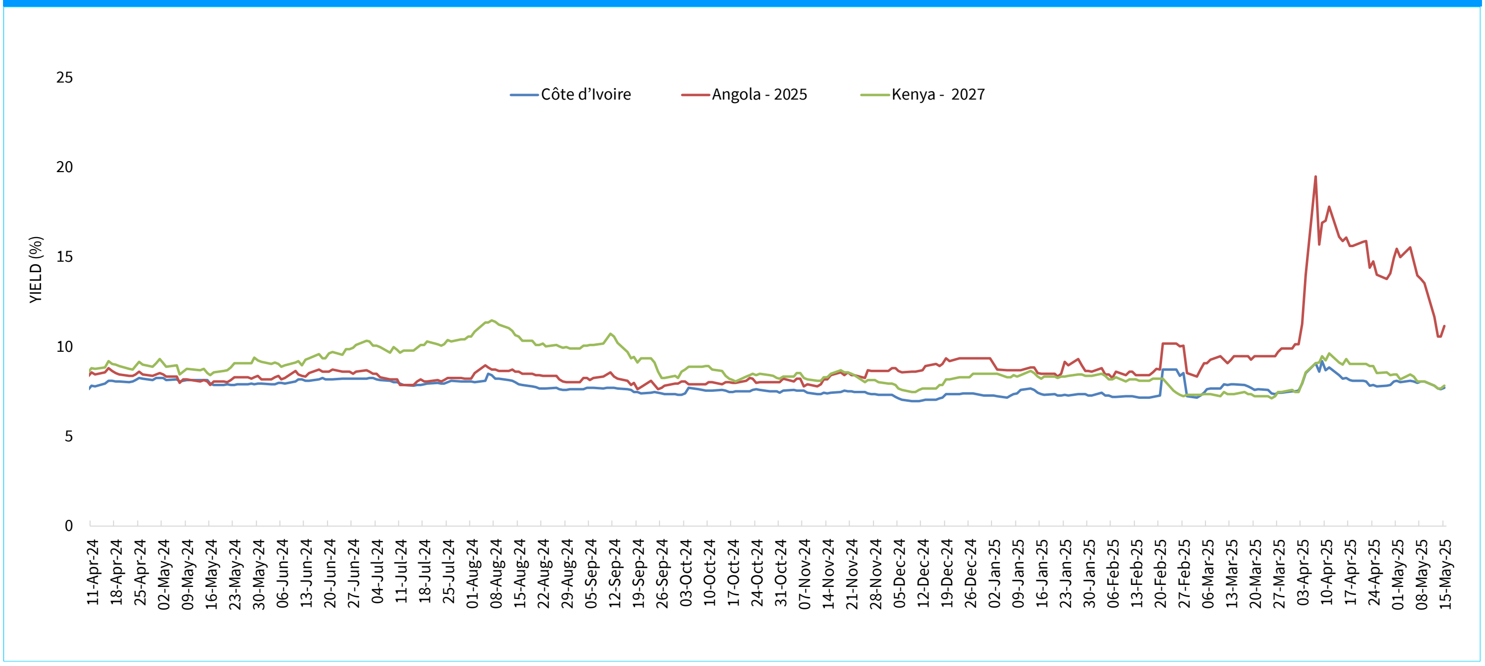
Source: Nairobi Securities Exchange (NSE)

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 Turnover (KSh Million)	Market Capitalization (KSh Billion)	Bonds Turnover (KSh Million)	Eurobond Yields (%)					
									7-Year 2027	10-Year 2028	6-Year 2031	12-Year 2032	13-Year 2034	30-Year 2048
2-May-25	125.60	3,378.62	2,106.31	1,820	8.72	93.36	1,974.16	4,515.85	8.168	9.84	11.019	10.918	10.694	11.309
5-May-25	125.76	3,365.95	2,099.56	1,946	14.30	258.98	1,976.74	9,023.5	8.437	9.951	11.091	11.014	10.779	11.328
6-May-25	125.94	3,365.92	2,099.22	1,770	11.62	497.51	1,979.50	6,937.8	8.308	9.899	11.056	10.92	10.697	11.29
7-May-25	126.11	3,379.56	2,092.00	1,736	18.73	231.63	1,982.21	5954	8.046	9.793	10.844	10.764	10.588	11.193
8-May-25	126.13	3,382.67	2,092.84	1,622	31.11	343.62	1,982.54	10,604.9	8.056	9.8	10.881	10.768	10.618	11.155
May 2- 8, 25	**126.13**	**3,382.67**	**2,092.84**	**8,894.00**	**84.47**	**1,425.09**	**1,982.54**	**37,036.05**	**8.056**	**9.800**	**10.881**	**10.768**	**10.618**	**11.155**
9-May-25	126.87	3,395.77	2,109.29	1,583	24.59	457.77	1,994.14	3,224.71	8.059	9.748	10.81	10.769	10.62	11.174
12-May-25	127.22	3,407.98	2,121.98	1,582	23.00	369.71	1,999.71	3,948.80	7.794	9.265	10.46	10.46	10.295	10.93
13-May-25	128.82	3,436.76	2,126.84	1,901	66.50	369.71	2,024.75	14,771.95	7.662	9.107	10.253	10.247	10.109	10.802
14-May-25	131.35	3,513.32	2,154.27	1,632	12.62	255.92	2,064.57	10,516.85	7.664	9.055	10.219	10.278	10.137	10.82
15-May-25	133.36	3,563.46	2,182.60	1,955	41.96	783.09	2,096.11	9,879.15	7.806	9.167	10.288	10.342	10.193	10.893
May 9- 15, 25	**133.36**	**3,563.46**	**2,182.60**	**8,653.00**	**168.66**	**2,236.19**	**2,096.11**	**42,341.46**	**7.806**	**9.167**	**10.288**	**10.342**	**10.193**	**10.893**
Weekly Changes (%)	**5.73**	**5.34**	**4.29**	**-2.71**	**99.66**	**56.92**	**5.73**	**14.32**	**-0.250***	**-0.633***	**-0.593***	**-0.426***	**-0.425***	**-0.262***

** 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)

	28-Jun-24	31-Dec-24	31-Jan-25	28-Feb-25	28-Mar-25	25-Apr-25	2-May-25	9-May-25
1. Treasury Bills (Excluding Repos)	615.89	846.10	856.32	886.83	915.44	941.49	946.92	946.00
(As % of total securities)	*11.75*	*14.77*	*14.78*	*15.02*	*15.41*	*15.79*	*15.87*	*15.90*
2. Treasury Bonds	4,627.12	4,884.05	4,936.77	5,016.91	5,025.43	5,020.02	5,020.02	5,004.23
(As % of total securities)	*88.25*	*85.23*	*85.22*	*84.98*	*84.59*	*84.21*	*84.13*	*84.10*
3. Total Securities (1+2)	5,243.01	5,730.15	5,793.08	5,903.74	5,940.87	5,961.51	5,966.93	5,950.23
4. Overdraft at Central Bank	61.02	37.48	35.24	60.57	86.51	94.89	84.93	76.44
5. Other Domestic debt*	106.25	101.15	100.66	100.05	98.92	99.19	99.19	99.19
of which IMF funds on-lent to Government	83.54	80.29	79.58	79.62	77.88	78.71	78.71	78.71
6. Gross Domestic Debt (3+4+5)	**5,410.28**	**5,868.77**	**5,928.98**	**6,064.36**	**6,126.30**	**6,155.60**	**6,151.06**	**6,125.86**

** 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-Feb-25	28-Mar-25	25-Apr-25	02-May-25	09-May-25
Treasury bills (Excluding Repos)	12.72	11.38	14.42	14.62	14.94	15.29	15.39	15.44
Treasury bonds	83.07	85.52	83.22	82.73	82.03	81.55	81.61	81.69
Overdraft at Central Bank	1.58	1.13	0.64	1.00	1.41	1.54	1.38	1.25
Other domestic debt	2.63	1.96	1.72	1.65	1.61	1.61	1.61	1.62
of which IMF fund on lent to government	1.98	1.54	1.37	1.31	1.27	1.28	1.28	1.28
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-Dec-24	28-Feb-25	28-Mar-25	25-Apr-25	02-May-25	09-May-25
Banking Institutions	46.17	45.12	45.05	45.40	45.41	45.32	45.27	44.68
Insurance Companies	7.31	7.23	7.32	7.23	7.13	7.24	7.24	7.29
Parastatals	5.98	5.13	5.60	5.97	6.07	5.95	5.95	5.98
Pension Funds*	33.42	29.60	28.88	28.29	28.28	28.34	28.37	28.81
Other Investors	7.13	12.92	13.16	13.11	13.11	13.15	13.17	13.23
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