



Central Bank of Kenya

Weekly Statistical Bulletin

Key Monetary and Financial Indicators

February 15, 2018

The Interbank Market

The volumes traded in the interbank market decreased to an average of KSh 12.9 billion during the week ending February 14, 2018 from KSh 18.8 billion the previous week, reflecting a relatively liquid money market. The number of deals in the interbank market decreased to an average of 29 from an average of 40 in the previous week. The weighted average interbank rate also declined to 4.82 percent from 5.51 percent in the previous week (**Table 1**).

Kenya Shilling Exchange Rate

The Kenya Shilling exchange rate strengthened against major international currencies but weakened against regional currencies during the week ending February 15, 2018. The Kenya Shilling strengthened against the US Dollar, the Sterling Pound and the Euro but weakened against the Japanese Yen. In the EAC region the Kenya Shilling weakened against all the EAC currencies (**Table 2**).

Equity Market

The equities market recorded reduced performance as reflected in declines in all leading indicators in the week ending February 15, 2018. This is partly attributed to volatility in the global markets and market corrections (**Table 3**).

Bond Market and Eurobond Yields

The volume of bonds traded reduced in the week ending February 15, 2018, perhaps explained by investors focus the bonds reopening in the primary market. These are considered cheaper, hence higher return compared to secondary market yields. The yields on Kenya's 5-year Eurobond reduced by 0.15 percentage points while the 10-year Eurobond yield increased by 0.73 percentage points, indicating mixed investor perception of the two securities (**Table 3**).

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Table 1: Interbank Deals, Volumes and Interest Rates

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)	Reverse Repo Rate (%)
1-Feb-18	38	17,335	5.67	10.00
2-Feb-18	44	17,385	5.50	
5-Feb-18	41	20,575	5.55	10.00
6-Feb-18	39	19,590	5.52	10.00
7-Feb-18	37	19,135	5.33	10.00
Feb 1 , 2018 - Feb 7, 2018	40	18804	5.51	10.00
8-Feb-18	29	12,500	5.35	
9-Feb-18	25	10,385	4.93	
12-Feb-18	27	15,370	4.62	10.04
13-Feb-18	32	15,250	4.49	10.00
14-Feb-18	32	11,180	4.70	
Feb 8 , 2018 - Feb 14, 2018	29	12937	4.82	10.02

Source: Central Bank of Kenya

Table 2: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	USHS*	TSHS*	RWF*	BIF*
2-Feb-18	101.92	144.93	126.88	93.03	35.54	22.06	8.27	17.35
5-Feb-18	101.74	144.19	126.76	92.25	35.68	22.10	8.47	17.28
6-Feb-18	101.36	141.99	125.90	92.01	35.84	22.19	8.51	17.35
7-Feb-18	101.31	140.52	125.01	92.45	35.91	22.17	8.52	17.46
8-Feb-18	101.01	140.50	124.61	92.44	36.01	22.30	8.35	17.51
2 -8 Feb 2018	101.47	142.42	125.83	92.44	35.80	22.16	8.42	17.39
9-Feb-18	100.80	140.56	123.58	92.52	36.01	22.36	8.42	17.55
12-Feb-18	100.85	139.47	123.68	92.64	36.04	22.35	8.56	17.44
13-Feb-18	101.04	139.60	123.73	92.98	36.00	22.33	8.54	17.42
14-Feb-18	101.23	140.50	124.94	94.09	36.04	22.26	8.38	17.47
15-Feb-18	101.22	139.81	124.43	94.26	35.90	22.27	8.53	17.38
2 -15 Feb 2018	101.03	139.99	124.07	93.30	36.00	22.31	8.49	17.45

* Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 3: Key Market Indicators

WEEK	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 Eurobond Yield (%)	10-Year Eurobond Yield (%)
02-Feb-18	181.69	4544.76	3758.18	938	17.91	480.52	2676.55	4,031.44	3.904	5.944
05-Feb-18	181.91	4550.55	3755.77	1,322	30.80	744.42	2679.81	1,538.06	3.992	6.045
06-Feb-18	181.38	4543.65	3759.95	1,485	68.06	1,997.67	2672.10	5,489.48	3.988	6.075
07-Feb-18	178.11	4483.43	3729.34	1,326	35.91	1,101.00	2623.80	4,790.00	3.984	6.012
08-Feb-18	180.39	4515.15	3746.18	1,304	43.67	1,322.36	2657.47	3,978.97	3.967	6.013
2-8 Feb 2018	180.39	4515.15	3,746.18	6,375	196.35	5,645.97	2,657.47	19,827.95	3.967	6.013
09-Feb-18	179.96	4509.07	3741.02	1,205	36.65	1,461.07	2,651.11	2,886.45	3.970	6.383
12-Feb-18	177.76	4472.74	3729.32	1,110	20.67	622.09	2,618.97	3,276.65	3.779	6.424
13-Feb-18	178.35	4488.11	3727.65	1,210	16.11	514.13	2,627.36	4,567.60	3.681	6.530
14-Feb-18	178.96	4495.02	3707.29	1,146	30.60	760.83	2,636.29	1,356.90	3.958	6.592
15-Feb-18	178.66	4482.81	3703.28	955	10.98	369.61	2,631.95	2,007.51	3.943	6.746
9-15 Feb 2018	178.66	4482.81	3703.28	5,626	115.01	3,727.73	2,631.95	14,095.12	3.943	6.746
Weekly Change	-0.96	-0.72	-1.15	-11.75	-41.42	-33.98	-0.96	-28.91	-0.151*	0.733*

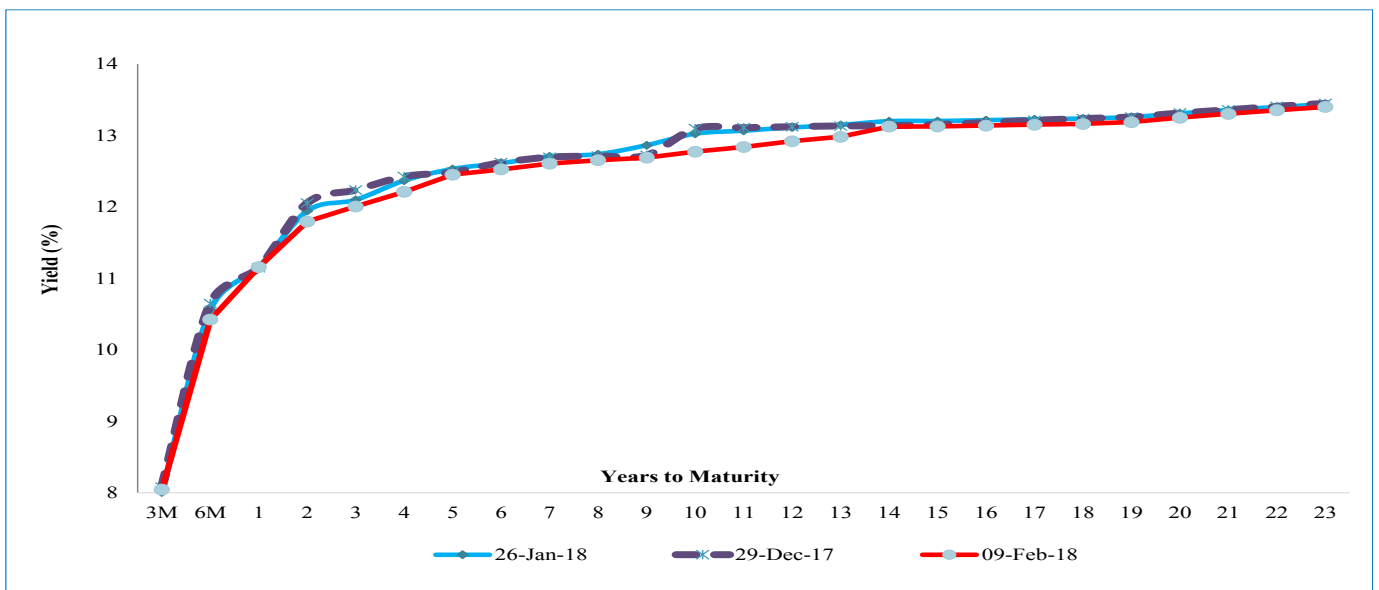
* Percentage points

Source: Central Bank of Kenya

Table 4: Performance of Treasury Bonds

Date of Auction	22-Nov-17	13-Dec-17		28-Dec-17		25-Jan-18	01-Feb-18
Tenor	IFB1/2017/7	FXD1/2008/15	FXD1/2017/10	TAP FXD1/2008/15	TAP FXD1/2017/10	IFB 1/2018/15	IFB 1/2018/15
Amount offered (Ksh)	30,000.0	30,000.0		20,000.0		40,000.0	35,000.0
Bids received (Ksh M)	45,910.9	10,086.3	11,806.1	2,683.6	5,138.9	55,756.5	36,231.2
Amount Accepted (Ksh)	42,020.1	4,679.8	5,366.9	2,683.6	5,138.9	5,041.5	36,207.2
Maturities (Ksh M)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Average interest Rate	12.232	12.581	13.087	13.087	13.087	12.505	12.505

Source: Central Bank of Kenya

Chart 1: Kenya Government Securities Yield Curve

Source: Central Bank of Kenya

Table 5: Government Domestic Debt (KSh Billion)

	27-Oct-17	24-Nov-17	29-Dec-17	26-Jan-18	02-Feb-18	09-Feb-18
1. Treasury Bills (Excluding Repos)	734.84	709.79	684.72	711.31	732.03	746.60
(As % of total securities)	34.38	33.49	31.91	32.93	33.49	33.38
2. Treasury Bonds	1,402.49	1,409.71	1,461.25	1,448.96	1,453.91	1,490.14
(As % of total securities)	65.62	66.51	68.09	67.07	66.51	66.62
3. Total Securities (1+2)	2,137.33	2,119.51	2,145.97	2,160.26	2,185.94	2,236.74
4. Overdraft at Central Bank	17.70	33.88	42.32	46.54	29.92	24.00
5. Other Domestic debt*	40.50	32.83	32.58	32.07	32.07	32.06
6. Gross Domestic Debt (3+4+5)	2,195.53	2,186.21	2,220.87	2,238.88	2,247.92	2,292.80

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

	30-Jun-17	27-Oct-17	24-Nov-17	29-Dec-17	26-Jan-18	02-Feb-18	09-Feb-18
Treasury bills (Excluding Repos)	35.2	33.5	32.5	30.8	31.8	32.6	32.6
Treasury bonds	63.1	63.9	64.5	65.8	64.7	64.7	65.0
CBK Overdraft to Govt	0.0	0.8	1.5	1.9	2.1	1.3	1.0
Other domestic debt	1.7	1.8	1.5	1.5	1.4	1.4	1.4
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Central Bank of Kenya

Table 7: Composition of Government Domestic Debt by Holder (In Percent)

	24-Nov-17	22-Dec-17	29-Dec-17	26-Jan-18	02-Feb-18	09-Feb-18
Banking Institutions	54.7	54.3	54.6	54.9	54.4	54.6
Insurance Companies	6.3	6.4	6.4	6.4	6.4	6.3
Parastatals	7.0	6.9	6.9	6.9	6.9	6.8
Pension funds	27.6	27.8	27.5	27.5	27.8	27.9
Other investors	4.4	4.5	4.5	4.5	4.5	4.5
Total	100.0	100.0	100.0	100.0	100.0	100.0

Source: Central Bank of Kenya

Table 8: Official Foreign Reserves US\$ Million (Usable)

	14-Dec-17	21-Dec-17	28-Dec-17	04-Jan-18	11-Jan-18	18-Jan-18	25-Jan-18	01-Feb-18	08-Feb-18	15-Feb-18
1. CBK Usable Foreign Exchange Reserves (USD Million)*	7,091	7,037	7,063	7,081	7,044	6,994	7,056	7,074	7,181	7,240
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.75	4.71	4.73	4.74	4.72	4.69	4.72	4.73	4.80	4.84

*Excludes Encumbered Reserves

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

Source: Central Bank of Kenya