



Central Bank of Kenya

# Weekly Statistical Bulletin

Key Monetary and Financial Indicators

April 13, 2018

## Interbank Market

The volumes traded in the interbank market increased to an average of KSh 22.7 billion during the week ending April 11, 2018 from KSh 20.7 billion in the previous week partly reflecting increased interbank borrowing to mobilise funds for PAYE tax remittances. The number of deals in the interbank market, however, decreased to an average of 38 compared with an average of 44 in the previous week. Similarly, the weighted average interbank rate decreased to 6.06 percent from 6.25 percent in the previous week (**Table 1**).

## Exchange Rate

The Kenya Shilling remained stable against major international and regional currencies during the week ending April 12, 2018. The Shilling remained stable against the USD, strengthened against the Japanese Yen and marginally weakened against the Sterling Pound and the Euro. In the EAC region the Kenya Shilling strengthened against Uganda Shilling and Rwanda Franc, remained stable against the Tanzania Shilling and weakened against the Burundi Franc (**Table 2**).

## Equity Market

Trading in the equities market declined in both volume and prices. All the equities indices declined, reflecting lower share prices across all counters during the week ending April 12, 2018. Consequently, shareholders' wealth, captured by market capitalization reduced by KSh 55.28 billion or 1.9 percent. The low volume of shares traded at the NSE contributed to 7.79 percent decline in Equities Turnover. The subdued

performance of equities market segment was driven by lower volume of shares traded in Banking, Energy & Petroleum and Telecommunications & Technology sectors. In addition, the prices of eight blue chip counters declined by between KSh 0.5 and Ksh 53 per share during the week. The decline in prices could be attributed to market correction after the recent rally (**Table 3**).

## Bond Market and Eurobond Yields

Turnover in the bond market improved by 22.08 percent in the week ending April 12, 2018, reflecting investors' selling of old stocks to invest in the bonds; FXD 1/2008/15 & FXD 1/2018/20, currently on offer through reopening in the primary market. These are normally perceived to be cheaper than purchase from secondary market. The yields on Kenya Eurobonds increased across all maturities, perhaps a reflection of varying market sentiments (**Table 3**).

## Government Securities Market

The Government securities market performance showed investors' preference for longer dated securities during the week ending April 13, 2018. While the 91-day and 182-day Treasury bills were undersubscribed, the 364-day Treasury bills were oversubscribed. The 91-day Treasury bills received bids totaling KSh 1.75 billion against an offer amount of Ksh 4 billion, the 182-day Paper received bids totaling KSh 6.95 billion against the offer of KSh 10 billion and the 364-day Treasury bills received bids amounting to KSh 12.19 billion against the offer of KSh 10 billion. The interest rates remained stable as shown in **Table 5**.

**Table 1: Interbank Deals, Volumes and Interest Rates**

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
29-Mar-18	41	19,650	6.07
3-Apr-18	40	19,980	6.24
4-Apr-18	51	22,430	6.45
<b>March 29 - Apr 4, 2018</b>	<b>44</b>	<b>20,687</b>	<b>6.25</b>
5-Apr-18	49	28,712	6.34
6-Apr-18	49	30,965	6.17
9-Apr-18	37	18,525	6.15
10-Apr-18	31	18,335	5.97
11-Apr-18	23	16,745	5.66
<b>April 5 - 11, 2018</b>	<b>38</b>	<b>22,656</b>	<b>6.06</b>

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*
3-Apr-18	100.89	141.84	124.41	94.86	36.57	22.39	8.45	17.58
4-Apr-18	101.07	142.01	123.99	94.85	36.51	22.39	8.57	17.42
5-Apr-18	101.06	142.24	124.26	95.07	36.54	22.39	8.57	17.42
<b>April 3 - 5, 2018</b>	<b>101.00</b>	<b>142.03</b>	<b>124.22</b>	<b>94.92</b>	<b>36.54</b>	<b>22.39</b>	<b>8.53</b>	<b>17.47</b>
6-Apr-18	101.03	141.73	123.84	94.37	36.55	22.37	8.58	17.43
9-Apr-18	101.00	142.04	123.91	94.34	36.58	22.37	8.58	17.43
10-Apr-18	100.99	142.75	124.40	94.36	36.56	22.41	8.58	17.43
11-Apr-18	101.00	143.15	124.82	94.42	36.56	22.41	8.58	17.43
12-Apr-18	100.98	143.35	124.97	94.43	36.57	22.38	8.58	17.44
<b>April 6 - 12, 2018</b>	<b>101.00</b>	<b>142.60</b>	<b>124.39</b>	<b>94.38</b>	<b>36.56</b>	<b>22.39</b>	<b>8.58</b>	<b>17.43</b>

\* 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-Yr Euro-bond Yield (%)	10-Yr Euro-bond Yield (%) - 2024	10-Year Euro-bond Yield (%) - 2028	30-Yr Euro-bond Yield (%)
29-Mar-18	192.17	4957.44	3847.18	1,542	23.38	842.60	2,831.32	1,656.80	3.830	6.236	6.862	7.814
03-Apr-18	191.92	4959.07	3832.12	1,238	20.33	599.21	2,827.63	758.73	3.670	5.986	6.588	7.610
04-Apr-18	193.90	4977.83	3820.84	1,443	25.63	1,083.10	2,856.79	1,315.97	3.665	5.938	6.554	7.610
05-Apr-18	196.57	5017.27	3836.49	1,422	22.05	667.78	2,896.24	4,018.26	3.734	5.843	6.486	7.570
<b>Mar 29 - Apr 5, 2018</b>	<b>196.57</b>	<b>5017.27</b>	<b>3836.49</b>	<b>5,645</b>	<b>91.40</b>	<b>3,192.68</b>	<b>2,896.24</b>	<b>7,749.75</b>	<b>3.734</b>	<b>5.843</b>	<b>6.486</b>	<b>7.570</b>
06-Apr-18	194.86	4992.39	3820.81	1,474	16.25	519.32	2,871.08	1,235.00	3.835	5.823	6.486	7.546
09-Apr-18	193.06	4964.11	3809.86	1,240	8.16	189.47	2,844.40	4,646.11	3.935	5.866	6.546	7.593
10-Apr-18	193.20	4981.94	3817.04	1,200	19.66	694.51	2,846.53	1,666.18	3.825	5.860	6.533	7.601
11-Apr-18	194.16	5001.16	3830.94	1,526	14.68	752.93	2,860.72	1,269.89	3.821	5.893	6.526	7.609
12-Apr-18	192.82	4980.92	3820.26	1,621	17.31	787.65	2,860.96	643.33	3.914	5.846	6.504	7.597
<b>April 6 - 12, 2018</b>	<b>192.82</b>	<b>4980.92</b>	<b>3820.26</b>	<b>7,061</b>	<b>76.07</b>	<b>2,943.88</b>	<b>2,840.96</b>	<b>9,460.52</b>	<b>3.914</b>	<b>5.846</b>	<b>6.504</b>	<b>7.597</b>
<i>Weekly Change</i>	<b>-1.91%</b>	<b>-0.72%</b>	<b>-0.42%</b>	<b>25.08%</b>	<b>-16.77%</b>	<b>-7.79%</b>	<b>-1.91%</b>	<b>22.08%</b>	<b>*0.180</b>	<b>*0.003</b>	<b>*0.018</b>	<b>*0.027</b>

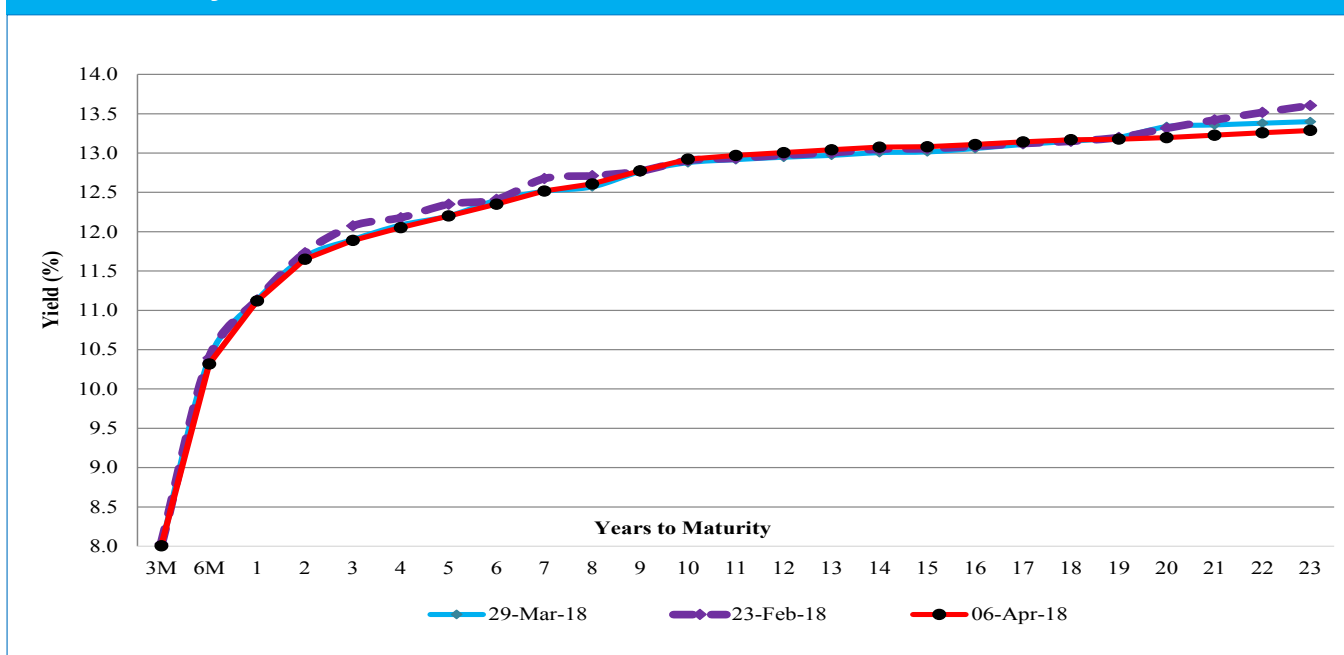
\* Percentage points

Source: Central Bank of Kenya, NSE and Reuters

**Table 4: Performance of Treasury Bonds**

Date of Auction	21-Feb-18		1-Mar-18		21-Mar-18		28-Mar-18	
	Re-open FXD1/2010/15	Re-open FXD2/2013/15	TAP FXD1/2010/15	TAP FXD2/2013/15	FXD1/2018/5	FXD1/2018/20	TAP FXD 1/2018/5	TAP FXD 1/2018/20
Amount offered (Ksh M)	40,000.0		27,000.0		40,000.0		8,500.0	
Bids received (Ksh M)	7,965.9	16,175.7	318.0	3,501.4	37,645.9	13,738.8	7,739.2	7,769.3
Amount Accepted (Ksh M)	4,444.2	8,761.0	318.0	3,501.4	23,065.3	8,491.0	7,739.2	7,769.3
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	12.676	12.906	12.299	13.336	12.299	13.336

Source: Central Bank of Kenya

**Chart 1: Kenya Government Securities Yield Curve**

Source: Central Bank of Kenya and NSE

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

Date of Auction	22-Mar-18	29-Mar-18	05-Apr-18	12-Apr-18
Amount offered (Ksh M)	4,000.00	4,000.00	4,000.00	4,000.00
Bids received (Ksh M)	2,185.28	1,762.19	2,954.15	1,754.94
Amount Accepted (Ksh M)	2,179.40	1,761.56	2,936.52	1,735.48
Maturities (Ksh M)	673.55	2,790.30	3,322.85	4,925.70
<b>Average interest Rate (%) - 91 Days</b>	<b>8.005</b>	<b>8.000</b>	<b>8.006</b>	<b>8.000</b>

**182-Day Treasury Bills**

Date of Auction	22-Mar-18	29-Mar-18	05-Apr-18	12-Apr-18
Amount offered (Ksh M)	10,000.00	10,000.00	10,000.00	10,000.00
Bids received (Ksh M)	7,819.00	3,753.17	7,164.54	6,951.92
Amount Accepted (Ksh M)	7,142.53	3,753.17	7,026.40	6,850.89
Maturities (Ksh M)	2,598.55	5,467.05	2,228.80	4,560.60
<b>Average interest Rate (%) - 182 days</b>	<b>10.385</b>	<b>10.384</b>	<b>10.318</b>	<b>10.268</b>

**364-Day Treasury Bills**

Date of Auction	22-Mar-18	29-Mar-18	05-Apr-18	12-Apr-18
Amount offered (Ksh M)	10,000.00	10,000.00	10,000.00	10,000.00
Bids received (Ksh M)	17,360.50	7,149.41	15,561.84	12,191.99
Amount Accepted (Ksh M)	13,598.84	6,249.64	15,561.84	12,190.19
Maturities (Ksh M)	17,102.25	10,287.75	13,580.25	11,375.50
<b>Average interest Rate (%) - 364 days</b>	<b>11.126</b>	<b>11.130</b>	<b>11.120</b>	<b>11.135</b>

Source: Central Bank of Kenya

**Table 6: Government Domestic Debt (Ksh Billion)**

	23-Feb-18	02-Mar-18	09-Mar-18	16-Mar-18	23-Mar-18	29-Mar-18	6-Apr-18
1. Treasury Bills (Excluding Repos)	754.54	768.34	775.86	766.39	768.30	772.70	766.78
<i>(As % of total securities)</i>	<b>33.80</b>	<b>33.99</b>	<b>34.15</b>	<b>33.87</b>	<b>33.93</b>	<b>33.59</b>	<b>33.19</b>
2. Treasury Bonds	1,477.96	1,492.15	1,496.20	1,496.20	1,496.20	1,527.84	1,543.42
<i>(As % of total securities)</i>	<b>66.20</b>	<b>66.01</b>	<b>65.85</b>	<b>66.13</b>	<b>66.07</b>	<b>66.41</b>	<b>66.81</b>
3. Total Securities (1+2)	2,232.50	2,260.49	2,272.06	2,262.59	2,264.50	2,300.54	2,310.19
4. Overdraft at Central Bank	42.09	46.21	46.21	46.49	46.02	39.65	39.65
5. Other Domestic debt*	31.45	31.46	31.46	31.45	31.45	31.46	31.51
<b>6. Gross Domestic Debt (3+4+5)</b>	<b>2,306.05</b>	<b>2,338.15</b>	<b>2,349.73</b>	<b>2,340.52</b>	<b>2,341.97</b>	<b>2,371.65</b>	<b>2,381.36</b>

\* 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)**

	23-Feb-18	2-Mar-18	9-Mar-18	16-Mar-18	23-Mar-18	29-Mar-18	6-Apr-18
Treasury bills (Excluding Repos)	32.7	32.9	33.0	32.7	32.8	32.6	32.2
Treasury bonds	64.1	63.8	63.7	63.9	63.9	64.4	64.8
CBK Overdraft to Govt	1.8	2.0	2.0	2.0	2.0	1.7	1.7
Other domestic debt	1.4	1.3	1.3	1.3	1.3	1.3	1.3
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Central Bank of Kenya

**Table 8: Composition of Government Domestic Debt by Holder (In Percent)**

	23-Feb-18	2-Mar-18	9-Mar-18	16-Mar-18	23-Mar-18	29-Mar-18	6-Apr-18
Banking Institutions	55.3	55.4	55.4	55.3	55.3	55.3	55.4
Insurance Companies	6.3	6.3	6.3	6.3	6.3	6.4	6.4
Parastatals	6.7	6.8	6.8	6.8	6.8	6.8	6.8
Pension funds	27.2	27.1	27.1	27.1	27.1	27.1	26.9
Other investors	4.5	4.5	4.5	4.5	4.5	4.5	4.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source: Central Bank of Kenya

**Table 9: Official Foreign Reserves US\$ Million (Usable)**

	8-Mar-18	15-Mar-18	22-Mar-18	29-Mar-18	5-April-18	12-Apr-18
1. CBK Usable Foreign Exchange Reserves (USD Million)*	7,155	8,831	8,791	8,846	8,815	8,833
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.78	5.90	5.87	5.91	5.89	5.90

\*Excludes Encumbered Reserves

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

Source: Central Bank of Kenya