



Central Bank of Kenya

Weekly Statistical Bulletin

Key Monetary and Financial Indicators

February 22, 2018

The Interbank Market

Being the week after the end of the CRR cycle, the volumes traded in the interbank market decreased to an average of KSh 10.6 billion during the week ending February 21, 2018 from KSh 12.9 billion the previous week. The number of deals in the interbank market also decreased to an average of 24 from 29. The weighted average interbank rate however, increased to 5.14 percent from 4.82 percent in the previous week (**Table 1**).

Kenya Shilling Exchange Rate

After weeks of strengthening, the Kenya shilling exchange rate reversed direction and weakened slightly during the week ending February 22, 2018. The weakening of the Kenya Shilling against the US Dollar was largely on account of increased dollar demand by corporates (**Table 2**).

Equity Market

Trading activity in the equities market improved by 1.17 percent and 0.62 percent for the NASI and the NSE 25 share indices respectively for the week ending February 22, 2018. Although the market recorded reduced number of shares traded, the value of shares traded increased by 10.63 percent. The gain in share prices increased shareholders' wealth by 1.17 percent as reflected in the market capitalization (**Table 3**).

Bond Market and Eurobond Yields

The volume of Bonds traded reduced in the week ending February 22, 2018 to 219 deals compared to 321 deals the previous week. However, the value of bonds traded increased by 11.70 percent, as investors moved from the primary market to the secondary market. The yields on Kenya's 5-year Eurobond increased marginally by 0.05 percent, while that of the 10-year Eurobond decreased by 0.35 percent. The increased yields, signal an increased risk perception on the 5 year Eurobond (**Table 3**).

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Table 1: Interbank Deals, Volumes and Interest Rates

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)	7 days Average Repo Rate (%)	Reverse Repo Rate (%)
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	0.00	10.02
15-Feb-18	30	16,450	4.65	-	10.01
16-Feb-18	27	13,450	5.09	-	10.01
19-Feb-18	22	7,080	5.55	-	-
20-Feb-18	22	8,640	5.20	7.55	-
21-Feb-18	20	7,130	5.20	7.72	-
Feb 15 , 2018 - Feb 21, 2018	24	10550	5.14	7.63	10.01

Source: Central Bank of Kenya

Table 2: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	USHS*	TSHS*	RWF*	BIF*
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
9 -15 Feb 2018	101.03	139.99	124.07	93.30	36.00	22.31	8.49	17.45
16-Feb-18	101.25	142.52	126.37	95.04	35.90	22.24	8.38	17.47
19-Feb-18	101.31	142.08	126.19	95.37	35.88	22.24	8.52	17.37
20-Feb-18	101.30	141.52	125.46	94.95	35.82	22.22	8.38	17.47
21-Feb-18	101.30	141.89	125.04	94.53	35.86	22.23	8.38	17.47
22-Feb-18	101.47	141.33	124.99	94.40	35.87	22.19	8.51	17.34
16 -22 Feb 2018	101.33	141.87	125.61	94.86	35.87	22.23	8.44	17.43

* Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 3: Key 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 Eurobond Yield (%)	10-Year Eurobond Yield (%)
09-Feb-18	179.96	4509.07	3741.02	1,205	36.65	1,461.07	2,651.11	2,886.45	3.97	6.38
12-Feb-18	177.76	4472.74	3729.32	1,110	20.67	622.09	2,618.97	3,276.65	3.78	6.42
13-Feb-18	178.35	4488.11	3727.65	1,210	16.11	514.13	2,627.36	4,567.60	3.68	6.53
14-Feb-18	178.96	4495.02	3707.29	1,146	30.60	760.83	2,636.29	1,356.90	3.96	6.59
15-Feb-18	178.66	4482.81	3703.28	955	10.98	369.61	2,631.95	2,007.51	3.94	6.75
9-15 Feb 2018	178.66	4482.81	3703.28	5,626	115.01	3,727.73	2,631.95	14,095.12	3.94	6.75
16-Feb-18	180.25	4,511.95	3,713.25	1,162	14	456	2,655.40	2,151	3.71	6.65
19-Feb-18	180.21	4,507.30	3,719.47	1,199	9	254	2,654.84	2,915	3.67	6.51
20-Feb-18	181.74	4,530.28	3,727.33	1,283	35	1,320	2,677.39	4,308	3.71	6.57
21-Feb-18	181.71	4,527.24	3,730.24	1,173	27	1,025	2,676.86	1,952	3.78	6.40
22-Feb-18	180.75	4,510.41	3,719.91	1,152	21	1,069	2,662.77	4,419	4.00	6.40
16-22 Feb 2018	180.75	4,510.41	3,719.91	5,969.00	105.70	4,124.09	2,662.77	15,744.85	4.00	6.40
Weekly Change (%)	1.17	0.62	0.45	6.10	(8.10)	10.63	1.17	11.70	0.05*	(0.35)*

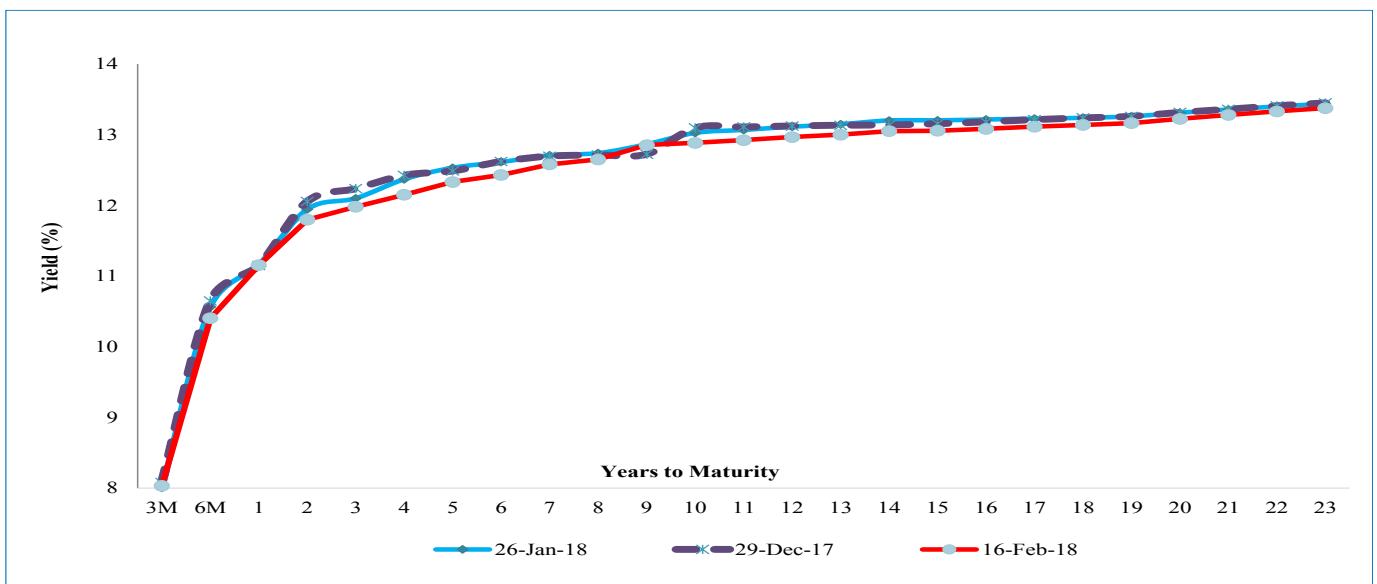
* Percentage points

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	21-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	FXD1/2010/15	FXD2/2013/15
Amount offered (Ksh)	30,000.0	30,000.0		20,000.0		40,000.0	35,000.0	40,000.0	
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	24,141.6	
Amount Accepted (Ksh)	42,020.1	4,679.8	5,366.9	2,683.6	5,138.9	5,041.5	36,207.2	4,444.2	8,761.0
Maturities (Ksh M)	0.0	0.0	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	12.676	12.906

Source: Central Bank of Kenya

Chart 1: Kenya Government Securities Yield Curve

Source: Central Bank of Kenya

Table 5: Performance of Government Securities

91-Day Treasury Bills										
Date of Auction	28-Dec-17	04-Jan-18	11-Jan-18	18-Jan-18	25-Jan-18	01-Feb-18	08-Feb-18	15-Feb-18	22-Feb-18	
Amount offered (Ksh M)	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
Bids received (Ksh M)	5,207.84	3,583.22	5,031.54	1,694.93	3,984.00	5,721.37	2,096.56	4,673.73	4,966.78	
Amount Accepted (Ksh M)	2,757.46	2,207.97	4,829.48	1,694.93	3,979.10	5,721.37	2,052.78	4,281.26	4,966.78	
Maturities (Ksh M)	4,090.65	4,418.10	2,571.10	1,440.10	514.75	3,874.10	6,978.35	1,791.60	4,428.95	
Average interest Rate (%) - 91 Days	8.080	8.080	8.049	8.004	8.004	8.005	8.045	8.050	8.032	
182-Day Treasury Bills										
Date of Auction	28-Dec-17	04-Jan-18	11-Jan-18	18-Jan-18	25-Jan-18	01-Feb-18	08-Feb-18	15-Feb-18	22-Feb-18	
Amount offered (Ksh M)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	
Bids received (Ksh M)	8,037.18	9,754.96	14,715.58	9,944.27	13,806.67	12,959.45	12,511.30	11,219.01	8,425.54	
Amount Accepted (Ksh M)	7,562.55	8,521.37	10,419.78	7,245.82	11,419.50	10,845.65	12,511.30	11,216.78	8,425.54	
Maturities (Ksh M)	10,213.40	15,526.55	4,278.00	3,065.15	4,584.45	4,762.65	9,917.50	19,301.50	6,255.45	
Average interest Rate (%) - 182 days	10.649	10.685	10.661	10.641	10.564	10.438	10.424	10.403	10.395	
364-Day Treasury Bills										
Date of Auction	28-Dec-17	04-Jan-18	11-Jan-18	18-Jan-18	25-Jan-18	01-Feb-18	08-Feb-18	15-Feb-18	22-Feb-18	
Amount offered (Ksh M)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	
Bids received (Ksh M)	6,154.09	7,141.01	10,657.31	7,536.69	10,236.21	14,512.30	17,152.71	17,833.93	11,731.74	
Amount Accepted (Ksh M)	4,804.81	4,660.49	10,147.10	5,768.56	10,236.21	11,487.10	17,107.76	11,955.19	10,813.27	
Maturities (Ksh M)	0.00	3,722.25	1,444.25	2,728.45	1,485.00	6,707.80	6,655.50	10,498.60	1,175.25	
Average interest Rate (%) - 364 days	11.151	11.162	11.170	11.149	11.159	11.156	11.159	11.154	11.131	

Source :Central Bank of Kenya

Table 6: Government Domestic Debt (KSh Billion)

	27-Oct-17	24-Nov-17	29-Dec-17	26-Jan-18	02-Feb-18	09-Feb-18	16-Feb-18
1. Treasury Bills (Excluding Repos)	734.84	709.79	684.72	711.31	732.03	746.60	757.25
(As % of total securities)	34.38	33.49	31.91	32.93	33.49	33.38	33.74
2. Treasury Bonds	1,402.49	1,409.71	1,461.25	1,448.96	1,453.91	1,490.14	1,487.15
(As % of total securities)	65.62	66.51	68.09	67.07	66.51	66.62	66.26
3. Total Securities (1+2)	2,137.33	2,119.51	2,145.97	2,160.26	2,185.94	2,236.74	2,244.40
4. Overdraft at Central Bank	17.70	33.88	42.32	46.54	29.92	24.00	27.92
5. Other Domestic debt*	40.50	32.83	32.58	32.07	32.07	32.06	32.01
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	2,304.34

* 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 (In Percent)

	30-Jun-17	27-Oct-17	24-Nov-17	29-Dec-17	26-Jan-18	02-Feb-18	09-Feb-18	16-Feb-18
Treasury bills (Excluding Repos)	35.2	33.5	32.5	30.8	31.8	32.6	32.6	32.9
Treasury bonds	63.1	63.9	64.5	65.8	64.7	64.7	65.0	64.5
CBK Overdraft to Govt	0.0	0.8	1.5	1.9	2.1	1.3	1.0	1.2
Other domestic debt	1.7	1.8	1.5	1.5	1.4	1.4	1.4	1.4
TOTAL	100.0	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)

	24-Nov-17	22-Dec-17	29-Dec-17	26-Jan-18	02-Feb-18	09-Feb-18	16-Feb-18
Banking Institutions	54.7	54.3	54.6	54.9	54.4	54.6	55.0
Insurance Companies	6.3	6.4	6.4	6.4	6.4	6.3	6.3
Parastatals	7.0	6.9	6.9	6.9	6.9	6.8	6.8
Pension funds	27.6	27.8	27.5	27.5	27.8	27.9	27.5
Other investors	4.4	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 9: Official Foreign Reserves US\$ Million (Usable)

	04-Jan-18	11-Jan-18	18-Jan-18	25-Jan-18	01-Feb-18	08-Feb-18	15-Feb-18	22-Feb-18
1. CBK Usable Foreign Exchange Reserves (USD Million)*	7,081	7,044	6,994	7,056	7,074	7,181	7,240	7,235
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.74	4.72	4.69	4.72	4.73	4.80	4.84	4.84

*Excludes Encumbered Reserves

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

Source: Central Bank of Kenya