



Central Bank of Kenya

Weekly Bulletin

October 09, 2026



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Monetary Policy Decision

The Monetary Policy Committee (MPC) maintained the Central Bank Rate (CBR) at 8.75 percent during its meeting held on October 7, 2026. The MPC noted that global inflationary pressures have increased due to higher energy and food prices. Kenya's overall inflation is expected to remain within the target range in the near term, supported by appropriate monetary policy actions, government interventions, and a stable exchange rate. Central banks in major economies have maintained cautious policy stances, with some making modest upward adjustments to their policy rates while others have kept rates unchanged as they assess the implications of global developments for inflation and growth. Private sector credit growth remained strong, reflecting improved demand across key sectors of the economy. The MPC concluded that the current monetary policy stance, with the CBR unchanged at 8.75 percent, remains appropriate to ensure that inflation expectations remain anchored within the target range and the exchange rate remains stable.

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending October 8, 2026. It exchanged at KSh 129.94 per U.S. dollar on October 8, compared to KSh 129.71 on October 1 (**Table 1**).

Foreign Exchange Reserves

The foreign exchange reserves remained adequate at USD 14,736 million (5.9 months of import cover) as of October 8. This meets CBK's statutory requirement to endeavour to maintain at least 4 months of import cover (**Table 2**).

Money Market

The money market remained liquid during the week ending October 8, 2026, and open market operations remained active. Commercial banks' excess reserves averaged KSh 23.3 billion above the 3.25 percent Cash Reserve Ratio (CRR) requirement. The Kenya Shilling Overnight Interbank Average (KESONIA) remained stable at 8.75 percent. During the week, the average number of interbank transactions increased to 17 from 14 in the previous week, while the average value traded decreased to KSh 5.9 billion from KSh 9.5 billion in the previous week (**Table 3**).

Government Securities Market

The Treasury bill auction of October 8, received bids totalling KSh 75.4 billion against an advertised amount of KSh 28.0 billion, representing a performance of 269.3 percent. Interest rates on the 91-day, 182-day and 364-day Treasury bills declined (**Table 4**).

During the Treasury bond switch auction of October 5, the 15-year treasury switch bond received bids totalling KSh 9.1 billion against an advertised amount of KSh 10.0 billion, representing a performance of 90.8 percent (**Table 5**).

Equity Market

At the Nairobi Securities Exchange, the NASI and NSE 25 share price indices decreased by 0.60 percent and 0.27 percent respectively, while NSE 20 increased by 0.11 percent during the week ending October 8. Market capitalization and equity turnover decreased by 0.60 percent and 6.65 percent respectively while total shares traded increased by 51.37 percent (**Table 6**).

Bond Market

Bond turnover in the domestic secondary market decreased by 40.80 percent during the week ending October 8 (**Table 6**). In the international market, yields on Kenya's Eurobonds decreased by 2.94 basis points on average. Similarly, yields for Côte d'Ivoire and Angola bonds decreased (**Chart 2**).

Global Trends

Inflation concerns remained during the week ending October 8. In the euro area, annual headline inflation increased to 3.8 percent in September 2026 from 3.2 percent in August, largely driven by higher energy prices. In the United States, labour market conditions softened, with the unemployment rate edging up to 4.2 percent in September from 4.1 percent in August. The U.S. Dollar Index strengthened by 0.20 percent during the week.

Murban crude oil prices increased to USD 101.67 per barrel on October 8 from USD 95.76 per barrel on October 1, driven by supply concerns associated with ongoing geopolitical tensions in the Middle East. Over the same period, spot gold prices declined to USD 4,133.93 per ounce from USD 4,177.76 per ounce, reflecting reduced safe-haven demand amid improved market sentiment.

Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
25-Sep-26	129.62	171.44	147.47	81.68	30.28	20.40	11.36	23.11
28-Sep-26	129.67	171.74	147.65	82.21	30.19	20.39	11.36	23.10
29-Sep-26	129.76	172.10	147.49	82.57	30.17	20.30	11.35	23.09
30-Sep-26	129.79	171.68	147.22	82.46	30.19	20.30	11.35	23.08
01-Oct-26	129.71	172.28	147.30	82.65	30.14	20.35	11.36	23.10
Sep 25-1 Oct	129.71	171.85	147.43	82.31	30.19	20.35	11.36	23.10
02-Oct-26	129.76	171.62	146.40	82.38	30.55	20.30	11.37	23.09
05-Oct-26	129.76	171.76	146.20	82.26	30.56	20.30	11.39	23.19
06-Oct-26	129.79	171.36	145.25	82.06	31.00	20.41	11.35	23.10
07-Oct-26	129.89	172.28	146.11	82.15	31.21	20.24	11.34	23.07
08-Oct-26	129.94	171.62	145.37	82.15	31.16	20.27	11.34	23.09
Oct 2-8	129.83	171.73	145.87	82.20	30.90	20.30	11.36	23.11

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 2: Foreign Exchange Reserves (USD Million)

	10-Sep-26	17-Sep-26	24-Sep-26	01-Oct-26	08-Oct-26
1. CBK Foreign Exchange Reserves (USD Million)	15,253	15,088	15,042	14,930	14,736
2. CBK Foreign Exchange Reserves (Months of Import Cover)*	6.3	6.1	6.1	6.1	5.9

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

Source: Central Bank of Kenya

Table 3: Interbank Deals, Volumes and Interest Rates

Date	Number of Deals	Value (KSh M)	KESONIA (%)*
25-Sep-26	12	7,650	8.75
28-Sep-26	17	8,950	8.75
29-Sep-26	19	14,200	8.75
30-Sep-26	12	12,400	8.75
1-Oct-26	9	4,300	8.75
Sep 25-Oct 1	14	9,500	8.75
2-Oct-26	18	4,875	8.75
5-Oct-26	14	3,750	8.76
6-Oct-26	26	8,355	8.75
7-Oct-26	13	6,900	8.75
8-Oct-26	13	5,500	8.75
Oct 2-8	17	5,876	8.75

* The overnight interbank rate has been officially named Kenya Shilling Overnight Interbank Average (KESONIA) from September 1, 2025

Source: Central Bank of Kenya

Table 4: Performance of Treasury Bill Auctions

91-Day Treasury Bills								
Date of Auction	26-Mar-26	30-Apr-26	28-May-26	25-Jun-26	30-Jul-26	24-Sep-26	01-Oct-26	08-Oct-26
Amount Offered (KSh M)	4,000.00	4,000.00	4,000.00	4,000.00	8,000.00	8,000.00	8,000.00	8,000.00
Bids Received (KSh M)	2,595.61	8,024.94	14,093.44	23,013.48	14,403.22	17,739.93	17,983.23	50,204.94
Amount Accepted (KSh M)	2,574.10	8,005.39	14,081.70	14,187.31	14,330.17	16,546.14	12,875.06	20,446.72
Maturities (KSh M)	2,397.85	6,388.25	12,429.60	2,522.70	8,086.30	14,471.40	16,454.10	15,917.45
Average Interest Rate (%)	7.426	8.040	8.388	8.828	8.788	8.778	8.769	8.762
182-Day Treasury Bills								
Date of Auction	26-Mar-26	30-Apr-26	28-May-26	25-Jun-26	30-Jul-26	24-Sep-26	01-Oct-26	08-Oct-26
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
Bids Received (KSh M)	2,831.08	3,258.48	1,049.48	2,268.16	8,171.64	12,756.12	19,147.41	15,525.97
Amount Accepted (KSh M)	2,831.08	3,258.48	1,049.48	833.16	8,171.64	10,260.23	17,900.87	15,426.90
Maturities (KSh M)	1,943.60	1,604.85	508.45	721.50	2,303.15	2,731.85	9,412.10	11,245.65
Average Interest Rate (%)	7.829	8.212	8.250	8.844	8.955	8.895	8.886	8.874
364-Day Treasury Bills								
Date of Auction	26-Mar-26	30-Apr-26	28-May-26	25-Jun-26	30-Jul-26	24-Sep-26	01-Oct-26	08-Oct-26
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
Bids Received (KSh M)	5,490.41	7,192.07	1,494.84	2,776.87	4,792.57	11,228.23	10,586.04	9,642.64
Amount Accepted (KSh M)	5,451.75	7,179.77	1,490.29	2,405.42	4,784.06	6,543.85	10,420.91	9,631.23
Maturities (KSh M)	11,106.40	16,387.15	17,213.60	12,917.85	13,090.65	12,347.70	8,024.25	20,898.90
Average Interest Rate (%)	8.282	8.513	8.627	8.993	9.017	9.043	9.040	9.035

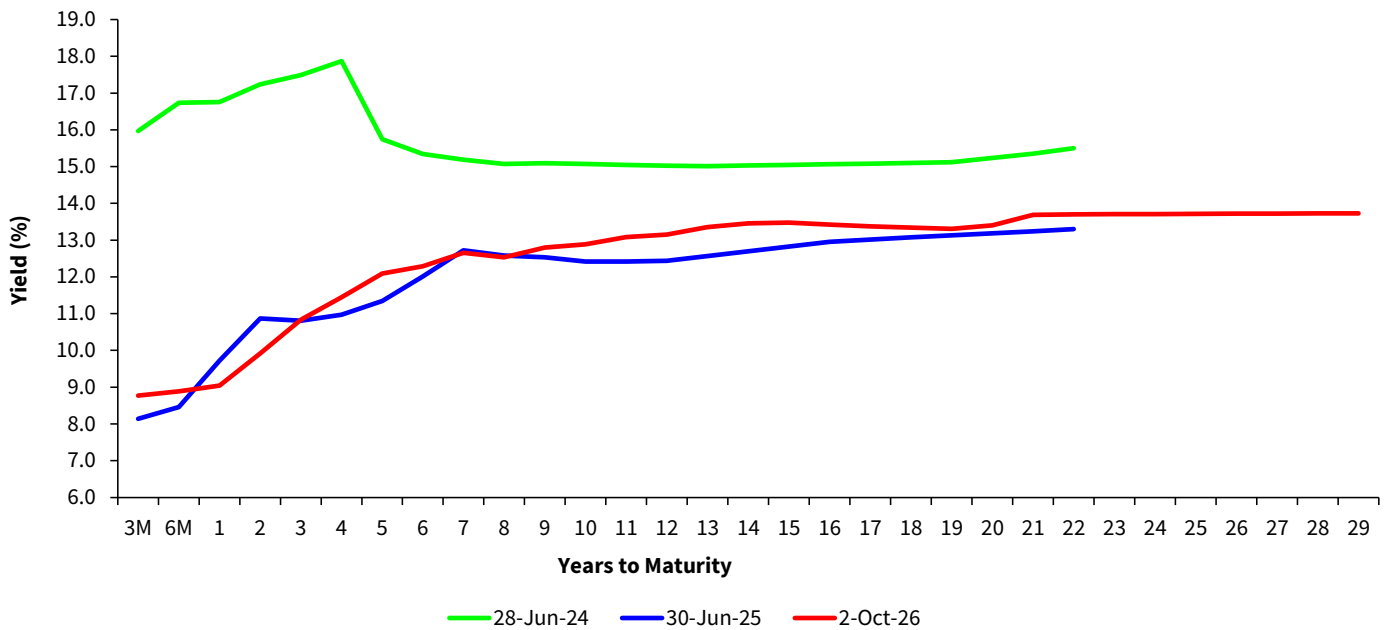
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	02-Sep-26		09-Sep-26	16-Sep-26		30-Sep-26		05-Oct-26
	RE-OPEN		SWITCH	RE-OPEN		RE-OPEN		SWITCH
Tenor	FXD3/ 2019/015	SDB1/ 2011/030	FXD4/ 2019/010	FXD1/ 2019/020	FXD1/ 2026/030	FXD3/ 2019/015	FXD1/ 2019/020	FXD1/ 2018/015
Amount offered (KSh M)	60,000.00		10,000.00	60,000.00		50,000.00		10,000.00
Bids received (KSh M)	57,101.40	11,093.49	13,524.24	43,803.82	37,601.48	34,559.26	46,003.11	9,080.58
Amount Accepted (KSh M)	41,139.13	6,609.37	11,020.44	33,456.74	16,718.32	28,602.50	28,902.51	8,963.83
Maturities (KSh M)								
Average interest Rate (%)	12.76	13.69	11.14	13.61	14.24	12.73	13.60	12.61

Source: Central Bank of Kenya

Chart 1: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

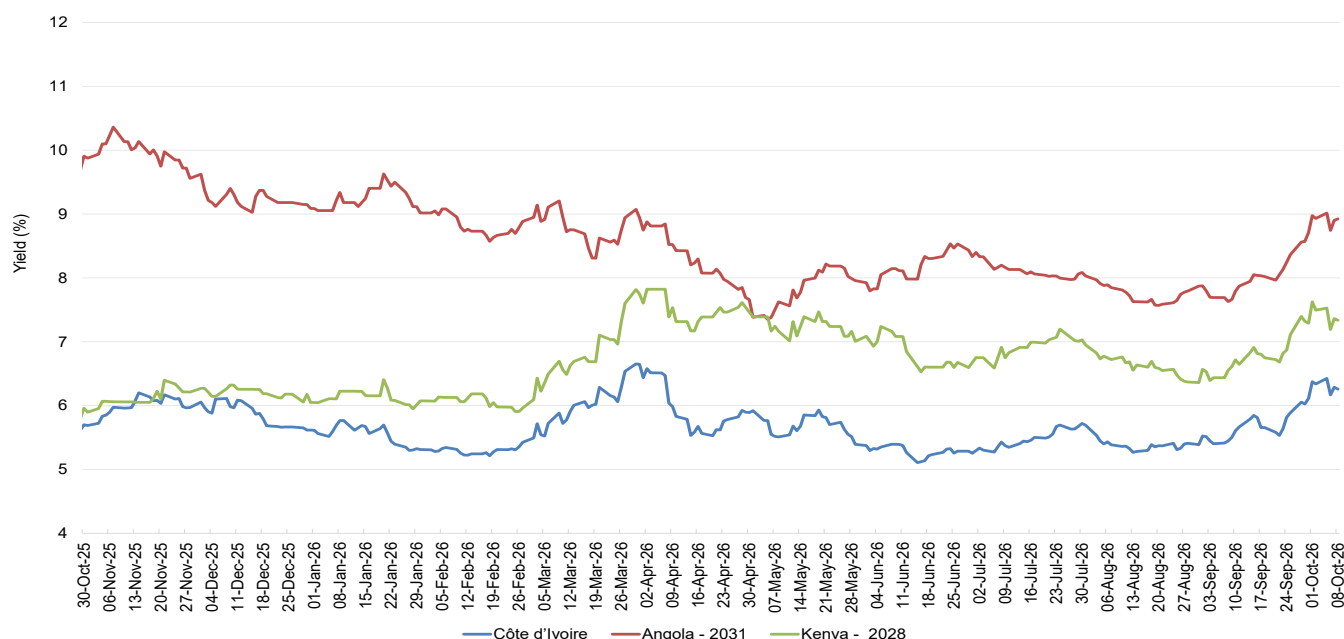
Table 6: Performance of Key Market Indicators

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 Capital- ization (KSh Billion)	Bonds Turnover (KSh Million)	EuroBond Yields (%)							
									10- Year 2028	6-Year 2031	12- Year 2032	13- Year 2034	11-Year 2036	12-year 2038	12- year 2039	30-Year 2048
25-Sep-26	248.51	7,062.15	4,363.67	13,326.00	18.26	751.23	4,170.52	15118	7.112	7.884	8.163	8.671	9.199	9.545	9.586	9.462
28-Sep-26	247.87	7,039.95	4,348.25	15,147.00	11.46	328.35	4,159.85	24586.65	7.396	8.104	8.467	8.951	9.434	9.783	9.786	9.615
29-Sep-26	245.85	6,985.59	4,312.00	13,272.00	11.71	349.70	4,125.87	24624.85	7.319	7.995	8.380	8.831	9.339	9.660	9.719	9.558
30-Sep-26	245.60	6,977.73	4,316.96	12,819.00	12.11	539.56	4,121.65	16205.45	7.290	7.987	8.413	8.871	9.385	9.705	9.723	9.541
1-Oct-26	246.82	6,986.58	4,318.68	12,362.00	12.33	432.96	4,142.21	10336.9	7.626	8.309	8.752	9.202	9.672	9.952	9.924	9.799
Sept 25-Oct 1	246.82	6,986.58	4,318.68	66,926.00	65.87	2401.79	4,142.21	90871.85	7.626	8.309	8.752	9.202	9.672	9.952	9.924	9.799
2-Oct-26	247.32	7,001.48	4,323.60	12,517	16.06	622.80	4,150.5	8209.65	7.4944	8.1248	8.6562	9.1346	9.5723	9.9439	9.9243	9.7402
5-Oct-26	246.88	7,001.14	4,326.85	15,042	53.40	682.16	4,143.2	7048.85	7.5271	8.1889	8.71	9.2331	9.6344	10.0147	10.0202	9.7977
6-Oct-26	246.50	6,979.71	4,317.83	10,171	10.81	283.95	4,136.7	12581.65	7.1923	7.8741	8.4002	8.9659	9.3776	9.7432	9.7554	9.5541
7-Oct-26	245.66	6,966.21	4,313.03	11,244	7.57	223.64	4,122.7	13336.55	7.3631	8.0551	8.6587	9.2082	9.6201	9.9588	9.9598	9.7488
8-Oct-26	245.34	6,967.38	4,323.26	10,567	11.86	429.51	4,117.4	12622.85	7.3377	8.0999	8.7222	9.3053	9.6665	10.0021	10.0349	9.8329
Oct 2-8	245.34	6,967.38	4,323.26	59,541.00	99.71	2,242.07	4,117.37	53799.55	7.338	8.100	8.722	9.305	9.667	10.002	10.035	9.833
Weekly Changes (%)	-0.60	-0.27	0.11	-11.03	51.37	-6.65	-0.60	-40.80	-0.288*	-0.209*	-0.030*	0.103*	-0.006*	0.050*	0.111*	0.034*

* Percentage points

Source: Nairobi Securities Exchange (NSE) and Thomson Reuters

Chart 2: Yields on 10-Year Eurobonds for Select Countries



Source: London Stock Exchange

Table 7: Government Domestic Debt (KSh Billion)

	31-Dec-25	31-Mar-26	29-May-26	30-Jun-26	31-Jul-26	28-Aug-26	25-Sep-26	2-Oct-26
1. Treasury Bills (Excluding Repos)	1,074.45	1,192.39	1,106.91	1,118.15	1,143.64	1,182.98	1,201.41	1,206.51
<i>(As % of total securities)</i>	16.15	17.06	15.70	15.66	15.66	15.67	15.66	15.72
2. Treasury Bonds	5,578.98	5,798.22	5,944.45	6,021.15	6,157.18	6,365.63	6,468.61	6,468.61
<i>(As % of total securities)</i>	83.85	82.94	84.30	84.34	84.34	84.33	84.34	84.28
3. Total Securities (1+2)	6,653.43	6,990.61	7,051.36	7,139.31	7,300.82	7,548.61	7,670.02	7,675.12
4. Overdraft at Central Bank	78.23	53.16	89.49	90.99	70.32	25.44	14.30	10.60
5. Other Domestic debt*	105.85	105.95	98.22	96.90	92.02	92.02	100.25	98.90
of which IMF funds on-lent to Government	78.38	78.67	79.04	78.32	73.94	73.94	74.54	74.06
6. Gross Domestic Debt (3+4+5)	6,837.51	7,149.72	7,239.08	7,327.20	7,463.16	7,666.07	7,784.57	7,784.63

* 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)

	31-Dec-25	31-Mar-26	29-May-26	30-Jun-26	31-Jul-26	28-Aug-26	25-Sep-26	02-Oct-26
Treasury bills (Excluding Repos)	15.71	16.68	15.29	15.26	15.32	15.43	15.43	15.50
Treasury bonds	81.59	81.10	82.12	82.18	82.50	83.04	83.10	83.09
Overdraft at Central Bank	1.14	0.74	1.24	1.24	0.94	0.33	0.18	0.14
Other domestic debt	1.55	1.48	1.36	1.32	1.23	1.20	1.29	1.27
of which IMF fund on lent to government	1.15	1.10	1.09	1.07	0.99	0.96	0.96	0.95
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 Securities by Sector (Percent)

	31-Dec-25	31-Mar-26	29-May-26	26-Jun-26	31-Jul-26	28-Aug-26	25-Sep-26	02-Oct-26
Financial Corporations	78.87	79.86	79.89	79.90	79.95	79.99	79.79	79.81
<i>O/W Commercial Banks</i>	34.91	36.66	35.82	35.72	35.42	34.63	34.03	33.94
<i>Pension Funds</i>	14.67	14.03	14.31	14.33	14.51	14.04	13.95	13.86
<i>Insurance Companies</i>	13.47	13.57	13.93	14.06	14.10	13.82	13.91	13.95
General Government	7.37	6.96	7.09	7.09	7.10	6.85	7.00	7.01
Households	6.45	6.28	6.34	6.33	6.23	6.24	6.19	6.19
Non-Residents	4.68	4.40	4.22	4.18	4.21	4.50	4.57	4.56
Nonfinancial corporations	1.79	1.56	1.50	1.52	1.54	1.51	1.54	1.52
Non-Profit Institutions	0.85	0.94	0.96	0.98	0.97	0.91	0.91	0.91
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

*Data has been re-classified to adopt a sectorization that is aligned with global best practices, including Government Finance Statistics Manual (GFSM) 2014, Public Sector Debt Statistics 2014 Manual, System of National Accounts (SNA) 2008, and Monetary and Financial Statistics (MFS) 2016. The new classification leverages on the Dhow Central Securities Depository (DhowCSD) system which has the capability to identify the ultimate holders of government securities. The new classification also captures information on any transfer of government securities that take place in the secondary market.

Source: Central Bank of Kenya

Table 10: Public Debt

	Jun-24	Dec-24	Jun-25	Dec-25	Mar-26	May-26	Jun-26	July-26*
Domestic debt (Ksh Bn)	5,410.28	5,868.77	6,326.01	6,837.51	7,149.72	7,239.08	7,327.20	7,463.16
Public & Publicly Guaranteed External debt (USD \$ Bn)	39.77	39.11	42.44	42.34	43.74	43.67	43.90	44.56
Public & Publicly Guaranteed External debt (Ksh Bn)	5,150.84	5,057.01	5,484.83	5,461.97	5,683.22	5,657.30	5,684.69	5,765.73
Public Debt (Ksh Bn)	10,561.12	10,925.78	11,810.84	12,299.48	12,832.94	12,896.38	13,011.89	13,228.89

* Provisional

Source: The National Treasury and Central Bank of Kenya