



Central Bank of Kenya

Weekly Bulletin

April 26, 2024



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Exchange Rates

The Kenya Shilling remained relatively stable against major international and regional currencies during the week ending April 25. It exchanged at KSh 133.16 per US dollar on April 25, compared to KSh 131.37 per US dollar on April 18 (**Table 1**).

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 7,232 million (3.8 months of import cover) as of April 25. This meets the CBK's statutory requirement to endeavor to maintain at least 4 months of import cover (**Table 2**).

Money Market

Liquidity in the money market remained adequate during the week ending April 25, supported by open market operations. Commercial banks' excess reserves stood at KSh 22.6 billion in relation to the 4.25 percent cash reserves requirement (CRR). The average interbank rate was 13.90 percent on April 25 compared to 13.73 percent on April 18. During the week, the average number of interbank deals increased to 40 from 33 in the previous week, while the average value traded increased to KSh 23.2 billion from KSh 19.1 billion in the previous week (**Table 3**).

Government Securities Market

The Treasury bills auction of April 25 received bids totaling KSh 23.6 billion against an advertised amount of KSh 24.0 billion, representing a performance of 98.2 percent. Interest rates on the 91-day, 182-day, and 364-day Treasury bills remained relatively stable (**Table 4**).

Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices declined by 1.1 percent, 1.5 percent and 1.0 percent, respectively during the week ending April 25. Total shares traded increased by 3.0 percent while equity turnover and market capitalization declined by 11.6 percent and 1.1 percent, respectively (**Table 6**).

Bond Market

Bonds turnover in the domestic secondary market increased by 34.8 percent during the week ending April 25 (**Table 6**). In the international market, yields on Kenya's Eurobonds remained stable, increasing by a marginal average of 12.7 basis points. The yields on the 10-Year Eurobond for Angola and 12-Year Eurobond for Zambia increased (**Chart 2**).

Global Trends

Global economic activity continues to recover in 2024. The seasonally adjusted U.S real GDP growth was 1.6 percent in the first quarter of 2024. This was weaker than expected due to slower consumer spending. The U.S dollar index weakened by 0.52 percent against a basket of major currencies during the week ending April 25.

International oil prices increased during the week ending April 25, supported by a tight supply-demand balance and conflict in the Middle East. Murban oil prices rose to USD 88.74 per barrel on April 25 compared to USD 87.52 per barrel on April 18.

Table 1: Kenya Shilling Exchange Rates								
	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
12-Apr-24	130.35	163.88	140.08	85.26	29.22	19.79	9.88	21.97
15-Apr-24	130.44	162.57	138.95	84.81	29.16	19.78	9.87	21.96
16-Apr-24	130.77	162.66	138.86	84.75	29.13	19.73	9.87	21.95
17-Apr-24	131.02	163.21	139.35	84.68	29.23	19.73	9.83	21.86
18-Apr-24	131.37	163.82	140.31	85.16	29.16	19.68	9.80	21.76
Apr 12-18	130.79	163.23	139.51	84.93	29.18	19.74	9.85	21.90
19-Apr-24	131.44	163.20	139.74	85.15	28.99	19.65	9.83	21.84
22-Apr-24	131.79	163.20	140.55	85.18	28.91	19.58	9.77	21.73
23-Apr-24	132.30	163.34	140.94	85.48	28.86	19.50	9.74	21.66
24-Apr-24	132.63	165.16	141.94	85.64	28.75	19.57	9.70	21.56
25-Apr-24	133.16	166.07	142.63	85.51	28.65	19.45	9.68	21.51
Apr 19-25	132.26	164.19	141.16	85.39	28.83	19.55	9.75	21.66

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 2: Official Foreign Exchange Reserves (USD Million)					
	28-Mar-24	4-Apr-24	11-Apr-24	18-Apr-24	25-Apr-24
1. CBK Usable Foreign Exchange Reserves (USD Million)	7,088	7,148	7,291	7,226	7,232
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)*	3.8	3.8	3.8	3.8	3.8

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

Source: Central Bank of Kenya

Table 3: Money Markets			
Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
12-Apr-24	39	18,100.00	13.19
15-Apr-24	35	16,430.00	13.59
16-Apr-24	25	18,320.00	13.73
17-Apr-24	30	21,500.00	13.75
18-Apr-24	35	21,000.00	13.73
Apr 12-18	33	19,070.00	13.60
19-Apr-24	35	28,420.00	13.73
22-Apr-24	44	29,660.00	13.79
23-Apr-24	43	20,290.00	13.87
24-Apr-24	43	21,860.00	13.90
25-Apr-24	35	15,800.00	13.90
Apr 19-25	40	23,206.00	13.84

Source: Central Bank of Kenya

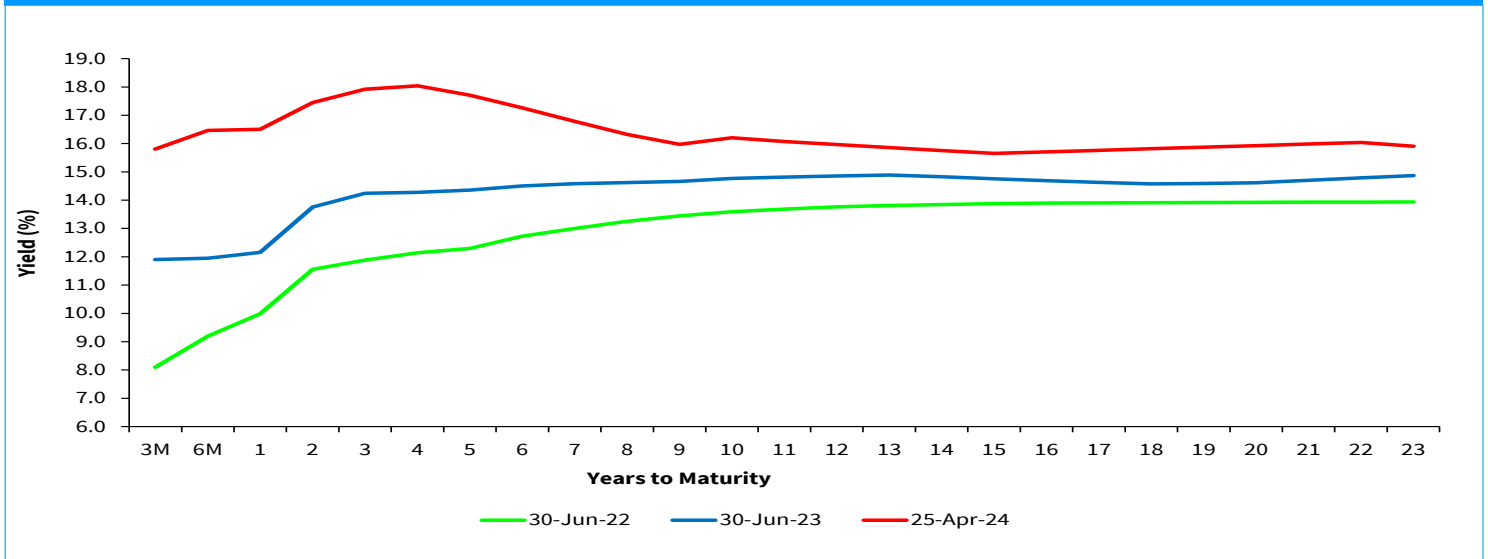
Table 4: Performance of Treasury Bill Auctions						
91-Day Treasury Bills						
Date of Auction	29-Jun-23	28-Sep-23	28-Dec-23	28-Mar-24	18-Apr-24	25-Apr-24
Amount Offered (KSh M)	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
Bids Received (KSh M)	5,779.97	11,007.63	8,516.51	5,380.72	6,005.06	5,985.83
Amount Accepted (KSh M)	2,705.12	3,303.25	6,986.46	3,867.98	5,945.12	5,732.45
Maturities (KSh M)	2,814.15	2,741.45	3,254.55	7,215.65	25,100.25	14,412.70
Average Interest Rate (%)	11.904	14.821	15.983	16.729	15.803	15.823
182-Day Treasury Bills						
Date of Auction	29-Jun-23	28-Sep-23	28-Dec-23	28-Mar-24	18-Apr-24	25-Apr-24
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)	2,195.96	809.28	322.85	2,702.14	7,814.98	6,932.54
Amount Accepted (KSh M)	1,300.96	542.27	322.85	2,049.15	7,763.37	6,924.47
Maturities (KSh M)	442.15	3,616.00	1,365.20	552.85	3,988.20	6,072.00
Average Interest Rate (%)	11.947	14.950	15.967	16.888	16.467	16.460
364-Day Treasury Bills						
Date of Auction	29-Jun-23	28-Sep-23	28-Dec-23	28-Mar-24	18-Apr-24	25-Apr-24
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)	1,514.41	1,841.12	1,661.91	7,753.83	12,266.87	10,644.22
Amount Accepted (KSh M)	1,514.41	670.62	1,661.91	7,596.50	12,263.02	10,644.22
Maturities (KSh M)	2,417.65	1,229.50	1,858.45	1,915.90	1,014.30	1,588.15
Average Interest Rate (%)	12.157	15.054	16.100	16.990	16.508	16.492

Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions									
Date of Auction	18-Jan-23		14-Feb-24	6-Mar-24	20-Mar-24		4-Apr-24		17-Apr-24
	TAP			RE-OPEN	RE-OPEN		TAP		RE-OPEN
Tenor	FXD1/ 2024/003	FXD1/ 2023/005	FXD1/ 2024/003	FXD1/ 2023/005	IFB1/ 2024/8.5	FXD1/ 2024/03	FXD1/ 2023/005	FXD1/ 2024/010	FXD1/ 2023/02
Amount offered (KSh M)	15,000.00		70,000.00		40,000.00		25,000.00		40,000.00
Bids received (KSh M)	9,308.35	2,552.31	288,661.86	43,074.61	35,848.61	23,885.31	35,585.30	12,203.35	47,192.00
Amount Accepted (KSh M)	9,339.89	2,415.58	240,957.57	34,271.36	17,766.82	4,838.59	33,952.75	11,896.17	34,762.40
Maturities (KSh M)	0.00		70,490.80		0.0	0.00	0.00		0.00
Average interest Rate (%)	18.39	16.84	18.46	18.42	18.41	16.52	18.41	16.52	16.99

Source: Central Bank of Kenya

Chart 1: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

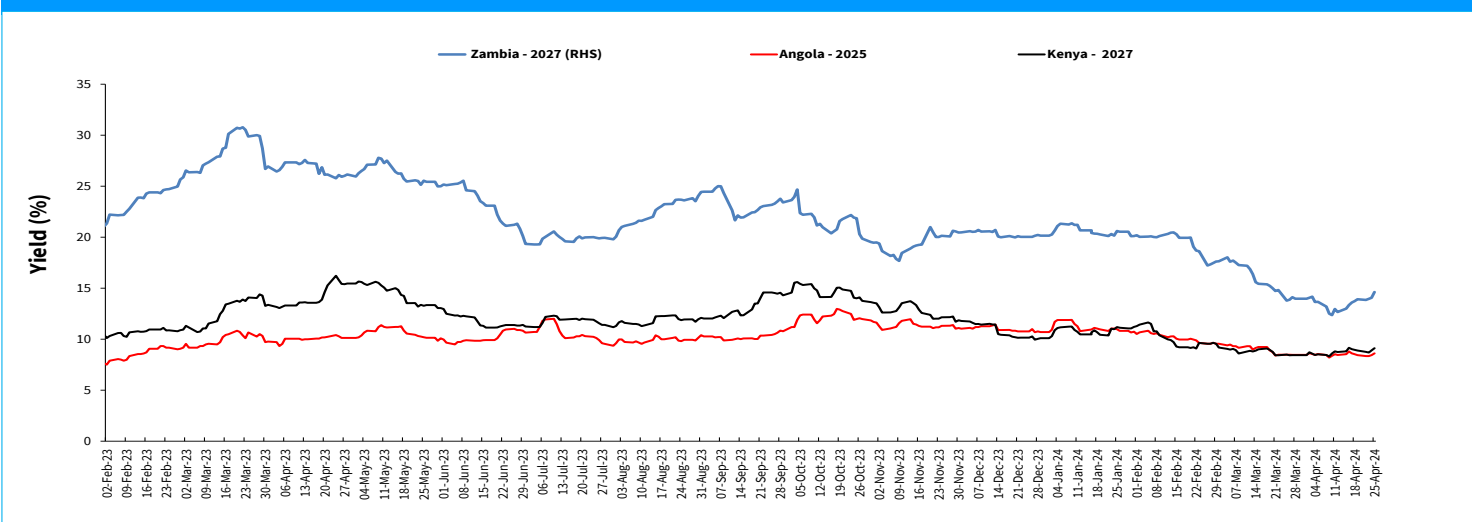
Table 6: Performance of Key Market Indicators

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 Capitaliza- tion (KSh Billion)	Bonds Turnover (KSh Mil- lion)	Eurobond Yields (%)					
									7-Year 2027	10-Year 2028	6-Year 2031	12-Year 2032	13-Year 2034	30-Year 2048
12-Apr-24	110.63	2932.54	1724.86	1419.00	12.41	332.71	1728.390	5,002.20	8.743	8.96	9.516	9.529	9.583	9.944
15-Apr-24	110.58	2930.41	1709.90	1335.00	13.03	292.41	1727.717	2,613.35	8.814	9.001	9.601	9.608	9.727	10.024
16-Apr-24	109.62	2893.22	1698.46	1247.00	7.98	144.35	1712.650	4,272.10	9.164	9.205	9.859	9.872	9.947	10.219
17-Apr-24	109.30	2890.71	1703.13	1446.00	17.31	435.99	1707.673	3,942.30	9.027	9.125	9.744	9.74	9.802	10.12
18-Apr-24	108.43	2880.09	1698.26	1222.00	9.76	376.85	1694.048	6,710.10	8.966	9.006	9.601	9.663	9.731	10.056
Apr 12-18	108.43	2880.09	1698.26	6669.00	60.49	1582.30	1694.05	22,540.05	8.966	9.006	9.601	9.663	9.731	10.056
19-Apr-24	106.60	2821.19	1689.31	1263.00	18.69	351.95	1665.459	4,775.65	8.898	8.926	9.572	9.585	9.684	10.008
22-Apr-24	106.37	2819.25	1666.80	918.00	3.95	69.52	1661.946	5,933.15	8.762	8.887	9.487	9.533	9.589	9.929
23-Apr-24	106.71	2824.73	1676.65	1064.00	9.53	177.90	1667.213	6,405.9	8.694	8.807	9.43	9.481	9.542	9.897
24-Apr-24	107.12	2832.24	1680.83	1207.00	17.22	468.51	1673.598	7,190.2	8.906	8.97	9.576	9.612	9.686	9.976
25-Apr-24	107.24	2837.02	1681.37	1047.00	12.91	330.56	1675.557	6,070.80	9.125	9.136	9.772	9.799	9.882	10.072
Apr 19-25	107.24	2837.02	1681.37	5499.00	62.30	1398.45	1675.56	30,375.70	9.125	9.136	9.772	9.799	9.882	10.072
Weekly Changes (%)	-1.1	-1.50	-0.99	-17.54	3.01	-11.62	-1.1	34.76	0.159*	0.130*	0.171*	0.136*	0.151*	0.016*

* Percentage points

Source: Nairobi Securities Exchange (NSE) and Thomson Reuters

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



Source: Thomson Reuters

Table 7: Government Domestic Debt (KSh Billion)

	30-Jun-23	29-Sep-23	29-Dec-23	31-Jan-24	23-Feb-24	28-Mar-24	12-Apr-24	19-Apr-24
1. Treasury Bills (Excluding Repos)	614.73	558.21	546.90	565.63	553.28	557.01	557.54	566.57
<i>(As % of total securities)</i>	13.28	11.86	11.35	11.69	11.08	11.06	10.97	11.12
2. Treasury Bonds	4,013.89	4,149.81	4,271.82	4,272.25	4,442.10	4,478.54	4,526.29	4,526.29
<i>(As % of total securities)</i>	86.72	88.14	88.65	88.31	88.92	88.94	89.03	88.88
3. Total Securities (1+2)	4,628.62	4,708.02	4,818.72	4,837.89	4,995.38	5,035.54	5,083.82	5,092.85
4. Overdraft at Central Bank	76.46	75.70	94.13	83.45	87.52	92.18	88.66	84.25
5. Other Domestic debt*	127.04	133.75	137.26	136.71	136.71	128.85	128.84	128.84
<i>of which IMF funds on-lent to Government</i>	95.52	99.52	104.24	104.24	104.24	106.49	106.49	106.49
6. Gross Domestic Debt (3+4+5)	4,832.11	4,917.47	5,050.11	5,058.04	5,219.61	5,256.57	5,301.33	5,305.94

* 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	29-Sep-23	29-Dec-23	31-Jan-24	23-Feb-24	28-Mar-24	12-Apr-24	19-Apr-24
Treasury bills (Excluding Repos)	12.72	11.35	10.83	11.18	10.60	10.60	10.52	10.68
Treasury bonds	83.07	84.39	84.59	84.46	85.10	85.20	85.38	85.31
Overdraft at Central Bank	1.58	1.54	1.86	1.65	1.68	1.75	1.67	1.59
Other domestic debt	2.63	2.72	2.72	2.70	2.62	2.45	2.43	2.43
<i>of which IMF fund on lent to government</i>	1.98	2.02	2.06	2.06	2.00	2.03	2.01	2.01
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	29-Sep-23	29-Dec-23	31-Jan-24	23-Feb-24	28-Mar-24	12-Apr-24	19-Apr-24
Banking Institutions	46.17	45.18	46.07	45.84	46.25	45.78	45.81	45.75
Insurance Companies	7.31	7.35	7.23	7.34	7.16	7.13	7.16	7.15
Parastatals	5.98	5.95	5.47	5.56	5.29	5.25	5.25	5.25
Pension Funds*	33.42	32.23	29.93	29.89	29.06	29.35	29.36	29.44
Other Investors	7.13	9.30	11.30	11.37	12.24	12.50	12.42	12.41
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: Government Debt

	Jun-22	Dec-22	Jun-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24*
Domestic debt (KSh Bn)	4,288.33	4,472.84	4,832.11	4,912.34	4,917.47	4,913.03	4,990.75	5,050.11	5,058.04
Public & Publicly Guaranteed External debt (USD Bn)	36.58	37.88	38.76	38.61	38.27	38.17	38.50	38.92	38.51
Public & Publicly Guaranteed External debt (KSh Bn)	4,290.73	4,673.14	5,446.56	5,614.09	5,667.80	5,746.32	5,896.50	6,089.58	6,189.97
Public debt (KSh Bn)	8,579.06	9,145.98	10,278.67	10,526.43	10,585.27	10,659.35	10,887.25	11,139.69	11,248.01

* Provisional

Source: The National Treasury and Central Bank of Kenya