



Central Bank of Kenya

Weekly Bulletin

January 17, 2025



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending January 16. It exchanged at KSh 129.54 per US dollar on January 16, 2025, compared to KSh 129.47 per US dollar on January 9, 2025 (**Table 1**).

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 9,143 million (4.7 months of import cover) as of January 16, 2025. This meets the CBK's statutory requirement to endeavour to maintain at least 4 months of import cover (**Table 2**).

Remittances

Remittance inflows reached an all-time high of USD 4,945 million in 2024 compared to USD 4,190 million in 2023, an increase of 18.0 percent. The inflows were strong in December 2024 at USD 445.4 million compared to USD 423.2 million in November, an increase of 5.2 percent (**Chart 1**). The United States remains the largest source of remittances, contributing 51 percent of total inflows in 2024. The growth in remittances continues to support Kenya's current account and stability of the exchange rate.

Money Market

Liquidity in the money market remained adequate during the week ending January 16 supported by open-market operations. Commercial banks' excess reserves stood at KSh 15.1 billion in relation to the 4.25 percent cash reserves requirement (CRR). The average interbank rate was 11.33 percent on January 16 compared to 11.12 on January 9. During the week, the average number of interbank deals increased to 55 from 46 in the previous week, while the average value traded increased to KSh 34.4 billion from KSh 30.9 billion (**Table 3**).

Government Securities Market

The Treasury bill auction of January 16 received bids totalling KSh 18.9 billion against an advertised amount of KSh 24.0 billion, representing a performance of 78.6 percent. Interest rate on the 91-day and 364-day Treasury bills declined (**Table 4**).

During the Treasury bond auction of January 15, the reopened 15-year and 25-year fixed rate Treasury bonds received bids totalling KSh 59.0 billion against an advertised amount of KSh 30.0 billion, representing a performance of 196.7 percent (**Table 5**).

Equity Market

At the Nairobi Securities Exchange, the NASI increased by 1.2 percent, while the NSE 25 and the NSE 20 share price indices decreased by 1.3 percent and 0.4 percent, respectively, during the week ending January 16, 2025. Market capitalisation increased by 1.1 percent, while equity turnover and total shares declined by 14.4 percent and 11.2 percent, respectively (**Table 6**).

Bond Market

Bond Market Bond turnover in the domestic secondary market increased by 217.9 percent during the week ending January 16, 2025 (**Table 6**). In the international market, yields on Kenya's Eurobonds on average increased by 2.2 basis points. However, the yield on Eurobond for Angola and Ivory Coast decreased (**Chart 3**).

Global Trends

Concerns about inflation in advanced economies persisted during the week ending January 16, 2025. In the United States, the annual headline inflation rate rose for the third consecutive month, reaching 2.9 percent in December 2024, up from 2.7 percent in November, aligning with market expectations. However, inflation in the United Kingdom declined to 2.5 percent in December from 2.6 percent in November. The US Dollar Index weakened by 0.2 percent against a basket of major currencies during the week ending January 16.

International oil prices increased, with Murban oil rising from USD 77.75 per barrel on January 9 to USD 82.5 per barrel on January 16, 2025. This increase followed reports that Indian oil refiners are preparing for potential disruptions due to new US sanctions expected to affect oil flows from Russia.

Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
3-Jan-25	129.29	160.35	133.37	82.48	28.45	18.83	10.66	22.87
6-Jan-25	129.35	160.95	133.46	81.97	28.41	19.06	10.66	22.87
7-Jan-25	129.38	162.20	134.55	81.95	28.53	19.21	10.66	22.86
8-Jan-25	129.42	161.58	134.02	81.86	28.54	18.74	10.73	22.85
9-Jan-25	129.47	159.74	133.31	81.73	28.61	19.23	10.81	22.85
Jan 03-09	129.38	160.97	133.74	82.00	28.51	19.01	10.70	22.86
10-Jan-25	129.49	159.14	133.27	81.74	28.58	19.38	10.66	22.84
13-Jan-25	129.48	157.24	132.26	82.23	28.55	19.44	10.73	22.85
14-Jan-25	129.51	158.15	132.79	82.22	28.56	19.23	10.66	22.84
15-Jan-25	129.47	158.02	133.40	82.29	28.55	19.42	10.67	22.85
16-Jan-25	129.54	159.22	133.90	82.91	28.52	19.42	10.67	22.84
Jan 10-16	129.50	158.35	133.12	82.28	28.55	19.38	10.68	22.84

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 2: Usable Foreign Exchange Reserves (USD Million)

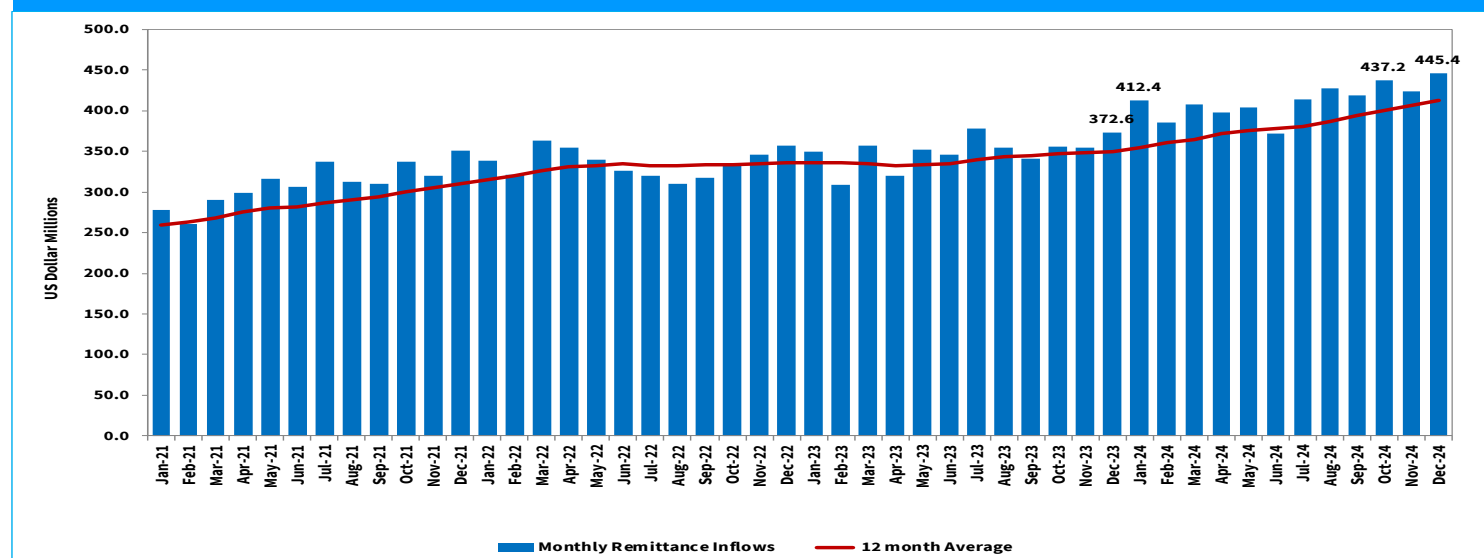
	19-Dec-24	24-Dec-24	2-Jan-25	9-Jan-25	16-Jan-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	9,010	9,201	9,198	9,178	9,143
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.6	4.7	4.7	4.7	4.7

*Excludes encumbered reserves

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

Source: Central Bank of Kenya

Chart 1: Monthly Remittance Inflows (USD Million)



Source: Central Bank of Kenya

Table 3: Money Market

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
3-Jan-25	34	23,995.00	11.04
6-Jan-25	46	40,600.00	11.03
7-Jan-25	48	34,780.00	11.07
8-Jan-25	49	29,370.00	11.09
9-Jan-25	53	25,700.00	11.12
Jan 3-9	46	30,889.00	11.07
10-Jan-25	61	42,450.00	11.19
13-Jan-25	65	53,570.00	11.27
14-Jan-25	58	31,810.00	11.30
15-Jan-25	46	19,655.00	11.32
16-Jan-25	47	24,377.00	11.33
Jan 10-16	55	34,372.40	11.28

Source: Central Bank of Kenya

Table 4: Performance of Treasury Bill Auctions

91-Day Treasury Bills						
Date of Auction	28-Dec-23	27-Jun-24	28-Nov-24	27-Dec-24	9-Jan-25	16-Jan-25
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)	8,516.51	4,361.03	18,817.44	2,242.28	13,324.99	3,382.82
Amount Accepted (KSh M)	6,986.46	2,745.34	15,938.75	2,208.47	9,425.51	2,687.66
Maturities (KSh M)	3,254.55	3,922.10	17,516.75	3,443.00	6,245.00	7,137.75
Average Interest Rate (%)	15.983	15.977	11.250	9.895	9.594	9.565
182-Day Treasury Bills						
Date of Auction	28-Dec-23	27-Jun-24	28-Nov-24	27-Dec-24	9-Jan-25	16-Jan-25
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)	322.85	1,494.42	10,416.04	435.30	9,711.25	5,446.73
Amount Accepted (KSh M)	322.85	1,479.67	4,208.53	435.30	9,682.15	5,442.89
Maturities (KSh M)	1,365.20	293.25	9,724.25	1,534.00	9,758.45	6,558.70
Average Interest Rate (%)	15.967	16.764	11.338	10.022	10.025	10.030
364-Day Treasury Bills						
Date of Auction	28-Dec-23	27-Jun-24	28-Nov-24	27-Dec-24	9-Jan-25	16-Jan-25
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)	1,661.91	1,833.64	21,422.50	2,189.12	10,107.47	10,031.02
Amount Accepted (KSh M)	1,661.91	1,828.51	14,507.31	2,189.12	5,350.21	9,990.21
Maturities (KSh M)	1,858.45	1,679.00	2,102.30	1,918.60	2,778.05	4,062.80
Average Interest Rate (%)	16.100	16.791	12.490	11.410	11.334	11.304

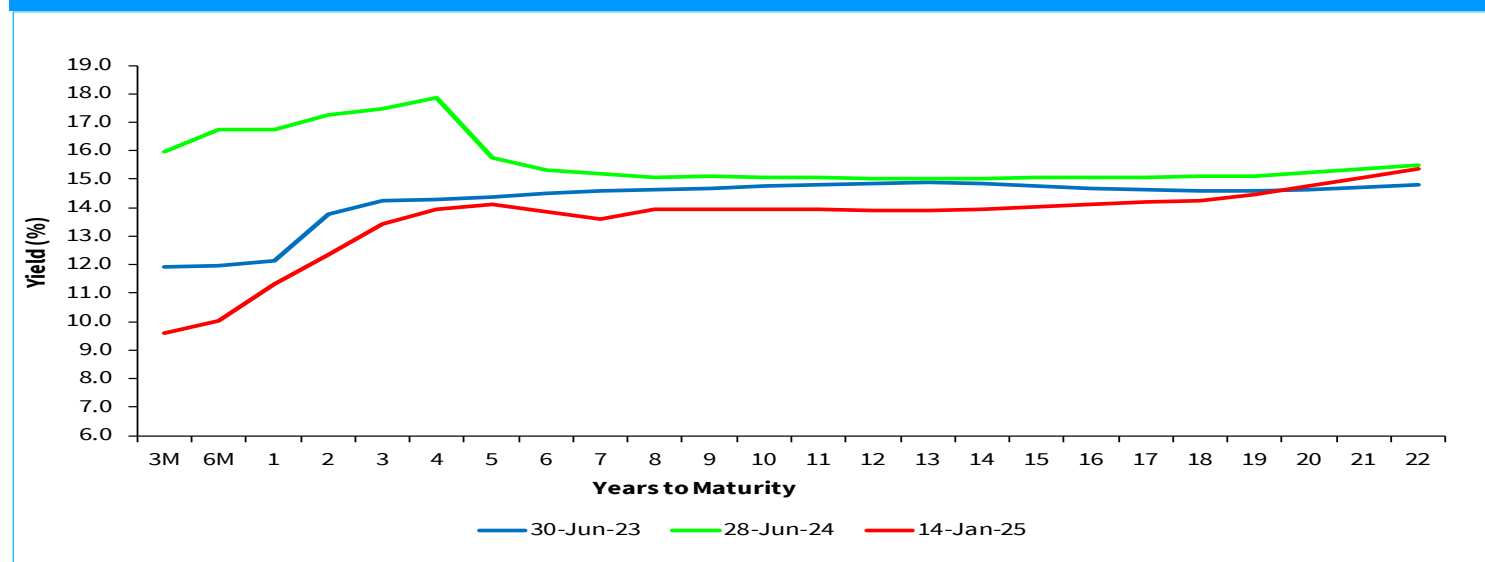
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	6-Nov-24		13-Nov-24	4-Dec-24		13-Dec-24	15-Jan-25	
	RE-OPEN		RE-OPEN	RE-OPEN		RE-OPEN	RE-OPEN	
Tenor	FXD1/ 2023/010	FXD1/ 2022/015	FXD1/ 2024/010	FXD1/ 2023/010	FXD1/ 2018/020	FXD1/ 2024/10	FXD1/ 2018/015	FXD1/ 2022/025
Amount offered (KSh M)	25,000.00		20,000.00	25,000.00		20,000.00	30,000.00	
Bids received (KSh M)	16,331.02	16,717.40	55,575.58	47,395.28	23,922.30	53,628.95	30,576.60	28,421.49
Amount Accepted (KSh M)	10,286.04	15,397.04	30,515.91	34,922.07	18,488.38	43,448.79	23,753.07	24,728.61
Maturities (KSh M)								
Average interest Rate (%)	15.97	16.30	15.86	14.69	15.11	14.69	14.21	15.68

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

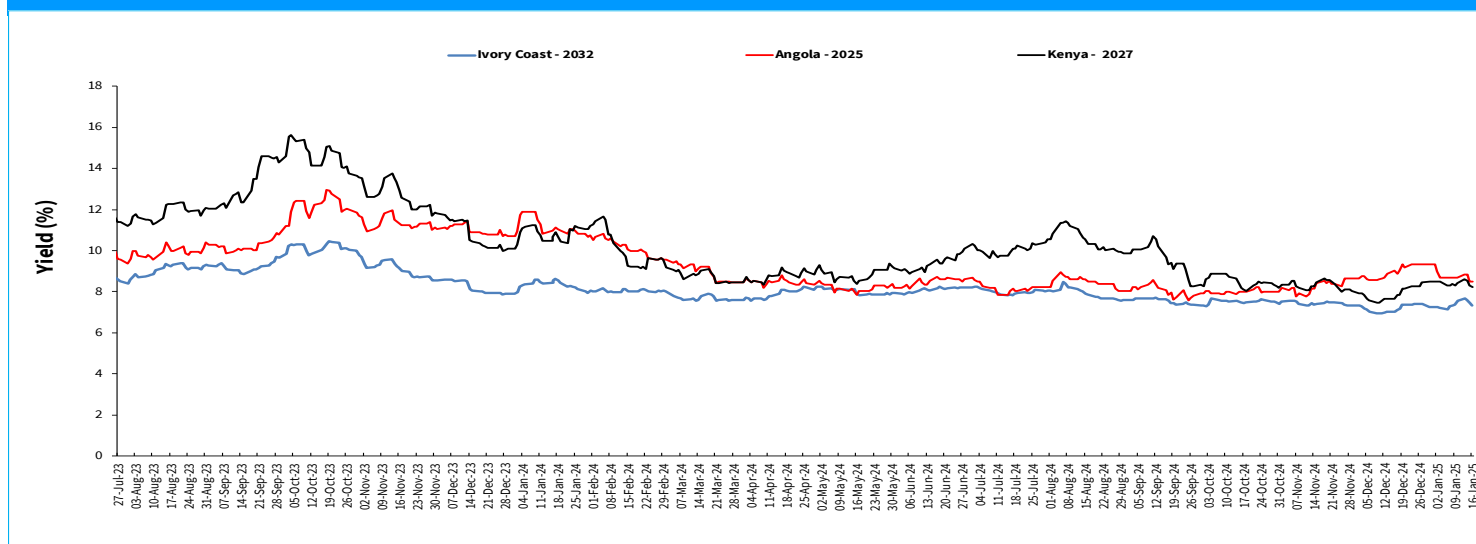
Table 6: Performance of Key Market Indicators

INDICATOR	NASI 100=2008	NSE 25 Share Index	NSE 20 Share Index 100=1996	Total Deals (Equity)	Total Shares Traded (Mil- lion)	Equity Turnover (KSh Million)	Market Capitaliza- tion (KSh Billion)	Bonds Turnover (KSh Million)	Eurobond Yields (%)					
									7-Year 2027	10-Year 2028	6-Year 2031	12-Year 2032	13-Year 2034	30-Year 2048
3-Jan-25	126.36	3,483.67	2,088.97	1,689.00	22.34	206.84	1984.96	887.30	8.491	8.918	9.937	9.914	9.915	10.137
6-Jan-25	127.28	3,494.82	2,095.88	2,288.00	39.51	801.34	1999.45	2205.15	8.291	8.872	9.809	9.801	9.814	10.040
7-Jan-25	128.43	3,520.92	2,132.26	2,465.00	24.18	438.51	2017.52	7253.10	8.293	8.777	9.713	9.716	9.740	9.976
8-Jan-25	128.93	3,522.61	2,145.52	2,313.00	29.75	509.70	2025.29	2840.65	8.398	8.826	9.809	9.773	9.816	10.024
9-Jan-25	128.97	3,508.57	2,142.52	2,234.00	37.88	421.32	2026.05	2029.20	8.303	8.783	9.777	9.747	9.768	10.008
January 3- 9	128.97	3,508.57	2,142.52	10,989.00	153.67	2,377.72	2,026.05	15,215.40	8.303	8.783	9.777	9.747	9.768	10.008
10-Jan-24	129.64	3,511.33	2,145.27	2,133	29.03	607.55	2036.52	16256.25	8.408	9.024	10.035	9.947	9.973	10.171
13-Jan-24	129.66	3,494.13	2,142.30	2,232	20.51	172.61	2036.81	2511.85	8.617	9.219	10.230	10.180	10.155	10.287
14-Jan-24	129.73	3,492.58	2,156.21	2,167	28.81	242.89	2037.84	8472.10	8.517	9.124	10.198	10.122	10.104	10.287
15-Jan-24	129.47	3,456.68	2,148.56	2,224	24.06	307.80	2033.84	11018.45	8.313	8.836	9.874	9.834	9.874	10.106
16-Jan-24	130.45	3,463.12	2,132.99	2,178	34.02	704.95	2049.23	10112.70	8.219	8.793	9.811	9.780	9.827	10.090
January 9 -16	130.45	3,463.12	2,132.99	10,934.00	136.43	2,035.79	2,049.23	48,371.35	8.219	8.793	9.811	9.780	9.827	10.090
Weekly Changes (%)	1.15	-1.30	-0.44	-0.50	-11.22	-14.38	1.14	217.91	-0.084*	0.010*	0.034*	0.033*	0.059*	0.082*

* Percentage points

Source: Nairobi Securities Exchange (NSE) and Thomson Reuters

Chart 3: Yields on 10-Year Eurobonds for Selected Countries



Source: London Stock Exchange

Table 7: Government Domestic Debt (KSh Billion)

	29-Dec-23	28-Jun-24	31-Jul-24	30-Aug-24	30-Sep-24	30-Oct-24	29-Nov-24	24-Dec-24	31-Dec-24
1. Treasury Bills (Excluding Repos)	546.90	615.89	651.89	673.95	712.45	760.13	834.73	848.09	846.10
<i>(As % of total securities)</i>	11.35	11.75	12.32	12.47	12.96	13.66	14.71	14.80	14.77
2. Treasury Bonds	4,271.82	4,627.12	4,637.89	4,729.22	4,785.63	4,802.76	4,840.35	4,884.05	4,884.05
<i>(As % of total securities)</i>	88.65	88.25	87.68	87.53	87.04	86.34	85.29	85.20	85.23
3. Total Securities (1+2)	4,818.72	5,243.01	5,289.78	5,403.17	5,498.08	5,562.89	5,675.08	5,732.14	5,730.15
4. Overdraft at Central Bank	94.13	61.02	60.53	49.52	0.00	28.63	31.77	34.87	37.48
5. Other Domestic debt*	137.26	106.25	103.06	105.66	103.64	103.69	101.95	101.15	101.15
of which IMF funds on-lent to Government	104.24	83.54	82.61	84.44	82.63	82.63	81.08	80.29	80.29
6. Gross Domestic Debt (3+4+5)	5,050.11	5,410.28	5,453.37	5,558.35	5,601.71	5,695.22	5,808.80	5,868.15	5,868.77

* 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)

	23-Jun-23	30-Jun-23	29-Dec-23	28-Jun-24	30-Sep-24	29-Nov-24	24-Dec-24	7-Jan-25	14-Jan-25
Treasury bills (Excluding Repos)	13.06	12.72	10.83	11.38	12.72	14.37	14.45	14.28	14.34
Treasury bonds	84.80	83.07	84.59	85.52	85.43	83.33	83.23	83.22	82.92
Overdraft at Central Bank	1.60	1.58	1.86	1.13	0.00	0.55	0.59	0.78	1.04
Other domestic debt	0.54	2.63	2.72	1.96	1.85	1.76	1.72	1.72	1.71
of which IMF fund on lent to government		1.98	2.06	1.54	1.48	1.40	1.37	1.37	1.35
TOTAL	100.00	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)

	23-Jun-23	30-Jun-23	29-Dec-23	28-Jun-24	30-Sep-24	30-Oct-24	29-Nov-24	7-Jan-25	14-Jan-25
Banking Institutions	46.35	46.17	46.07	45.12	44.38	45.09	45.36	45.08	45.15
Insurance Companies	7.34	7.31	7.23	7.23	7.22	7.20	7.15	7.31	7.29
Parastatals	6.00	5.98	5.47	5.13	5.35	5.45	5.43	5.60	5.69
Pension Funds*	33.53	33.42	29.93	29.60	29.44	29.16	28.94	28.87	28.76
Other Investors	6.77	7.13	11.30	12.92	13.60	13.11	13.13	13.14	13.11
Total	100.00	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: Public Debt

	Jun-22	Dec-22	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Jul-24	Aug-24	Sep-24*
Domestic debt (KSh Bn)	4,288.33	4,472.84	4,832.11	4,917.47	5,050.11	5,235.19	5,410.28	5,453.00	5,558.35	5,601.71
Public & Publicly Guaranteed External debt (USD Bn)	36.58	37.88	38.76	38.27	38.92	39.18	39.77	39.74	40.07	40.16
Public & Publicly Guaranteed External debt (KSh Bn)	4,290.73	4,673.14	5,446.56	5,667.80	6,089.58	5,163.42	5,150.84	5,162.85	5,176.10	5,188.37
Public debt (KSh Bn)	8,579.06	9,145.98	10,278.67	10,585.27	11,139.69	10,398.61	10,561.12	10,615.85	10,734.45	10,790.08

* Provisional

Source: The National Treasury and Central Bank of Kenya