



Central Bank of Kenya

Weekly Bulletin

October 3, 2025



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Inflation

Headline inflation increased to 4.6 percent in September 2025 from 4.5 percent in August 2025, largely on account of higher non-core inflation. Non-core inflation increased to 9.6 percent from 9.2 percent in August 2025, while core inflation decreased to 2.9 percent from 3.0 percent over the period (**Chart 1**). The increase in non-core inflation was mainly driven by higher prices of select vegetable items.

Economic Growth

The economy grew by 5.0 percent in the second quarter of 2025, compared to 4.6 percent in a similar quarter of 2024, mainly driven by a rebound in activity in the industrial sector, resilience of key service sectors, and stable growth of the agriculture sector. Industrial sector grew by 4.0 percent, compared to 0.2 percent in a similar quarter of 2024. The services sector recorded a growth of 5.7 percent compared to 6.1 percent in a similar quarter of 2024, mainly supported by resilient performance of transport and storage, finance and insurance, information and communication, and wholesale and retail trade sectors. Growth of the agriculture sector remained stable at 4.4 percent compared to 4.5 percent in a similar quarter of 2024 (**Table 1**).

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending October 2, 2025. It exchanged at KSh 129.24 per U.S. dollar on October 2, compared to KSh 129.26 per US dollar on September 25 (**Table 2**).

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 10,717 million (4.7 months of import cover) as of October 2. This meets the CBK's statutory requirement to endeavour to maintain at least 4 months of import cover (**Table 3**).

Money Market

The money market remained liquid during the week ending October 2. Open market operations remained active. Commercial banks' excess reserves stood at KSh 5.4 billion in relation to the 3.25 percent cash reserves requirement (CRR). The Kenya Shilling Overnight Interbank Average (KESONIA) rose to 9.51 percent on October 2 from 9.48 percent on September 25. During the week, the average number of interbank deals decreased to 30 compared to 31 in the previous week, while the average value traded decreased to KSh 15.1 billion from KSh 17.2 billion in the previous week (**Table 4**).

Government Securities Market

The Treasury bill auction of October 2 received bids totalling KSh 15.1 billion against an advertised amount of KSh 24.0 billion, representing a performance of 63.1 percent. Interest rate on the 91-day and 364-day Treasury bills increased marginally, while the 182-day Treasury Bill rate remained unchanged (**Table 5**).

Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices increased by 0.65 percent, 0.92 percent and 1.00 percent respectively, during the week ending October 2, 2025. Market capitalization increased by 0.65 percent while total shares traded and Equity turnover decreased by 40.48 percent and 63.53 percent respectively (**Table 7**).



Bond Market

Bond turnover in the domestic secondary market increased by 5.96 percent during the week ending October 2, 2025 (**Table 7**). In the international market, yields on Kenya's Eurobonds decreased by 7.21 basis points on average. Yields for Angola and Côte d'Ivoire also decreased (**Chart 3**).

Global Trends

Global inflation concerns remained during the week, with Euro Area headline inflation rising to 2.2 percent in September 2025 from 2.0 percent in August, mainly on account of higher food prices. The U.S. Dollar Index weakened by 0.7 percent during the week, weighed down by investor caution over the ongoing U.S. government shutdown.

International oil prices declined, with Murban oil prices falling to USD 65.59 per barrel on October 2 from USD 69.85 per barrel on September 25, driven by expectations of a potential OPEC+ supply increase, higher U.S. inventories, and softer demand prospects.

Chart 1: Inflation developments (Percent)

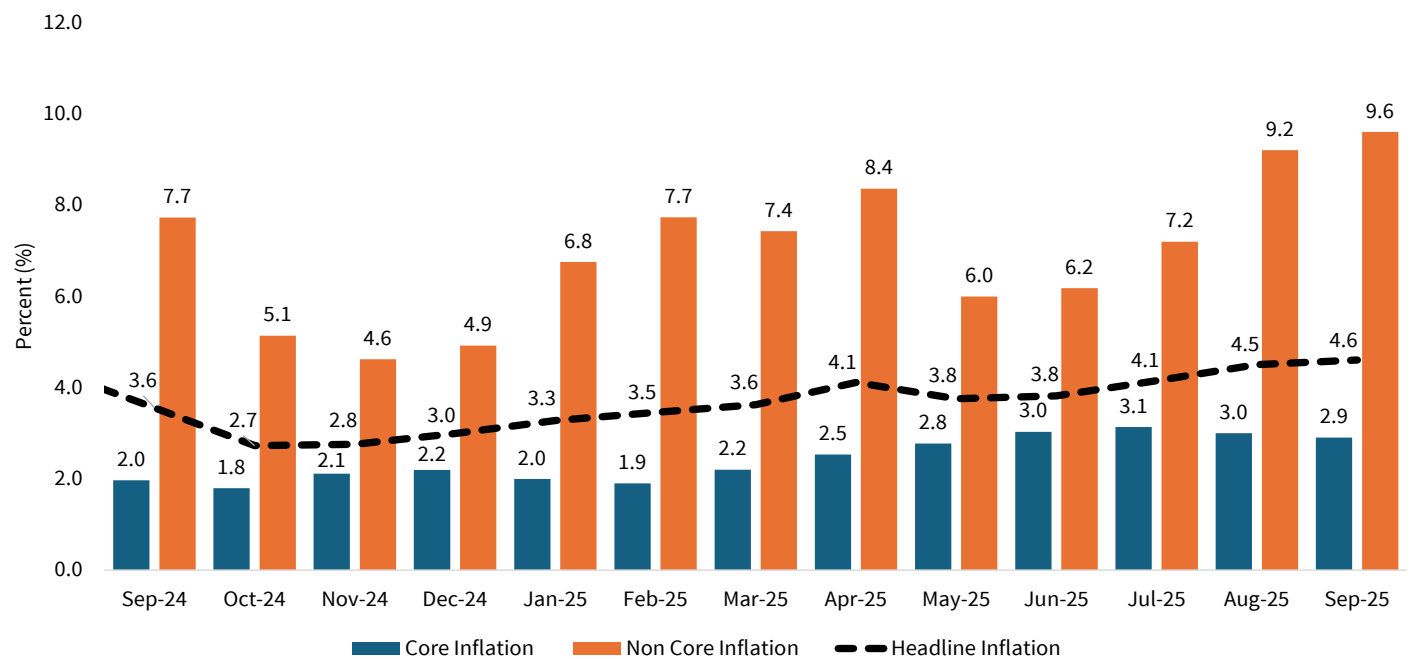


Table 1: Real GDP Growth by Sector (Percent)

	Annual		2024				2025	
	2023	2024	Q1	Q2	Q3	Q4	Q1	Q2
Agriculture	6.6	4.6	5.6	4.5	4.0	4.3	6.0	4.4
2. Non-Agriculture (o/w)	5.5	4.7	4.8	4.6	4.3	5.3	4.7	5.1
2.1 Industry	2.0	0.8	0.4	0.2	-0.4	3.1	3.0	4.0
Mining & Quarrying	-6.5	-9.2	-16.1	-5.5	-12.2	-2.3	10.8	15.3
Manufacturing	2.2	2.8	1.9	3.2	2.3	3.9	2.1	1.0
Electricity & water supply	3.2	1.9	2.8	1.2	0.9	2.7	3.6	5.7
Construction	3.0	-0.7	0.4	-3.7	-2.6	2.9	3.0	5.7
2.2 Services	7.0	6.0	6.4	6.1	5.4	6.1	5.0	5.7
Wholesale & Retail Trade	3.3	3.8	3.6	2.5	2.6	6.4	5.4	4.0
Accommodation & Food Services	33.6	25.7	38.1	35.0	22.9	10.9	4.1	7.8
Transport & Storage	5.5	4.4	4.1	3.4	4.6	5.6	3.8	5.4
Information & Communication	10.3	7.0	9.2	6.7	6.9	5.6	5.8	6.0
Financial & Insurance	10.1	7.6	9.6	8.0	7.3	6.0	5.1	6.6
Public administration	5.0	8.2	7.5	9.0	7.3	9.2	6.5	6.0
Professional, Administration & Support Services	9.9	6.2	9.4	6.7	4.5	4.7	4.6	8.5
Real estate	7.3	5.3	6.9	5.9	4.8	3.6	5.3	5.5
Education	2.9	3.9	2.4	3.2	4.8	5.4	2.9	3.2
Health	4.5	6.3	5.4	8.1	6.2	5.6	4.8	6.8
Other services	4.3	4.7	5.1	4.8	4.9	4.0	2.8	1.4
FISIM	2.7	9.0	15.4	10.3	11.0	0.7	1.9	1.4
2.3 Taxes on products	3.2	4.4	2.9	3.8	6.3	4.5	5.7	3.3
Real GDP Growth	5.7	4.7	4.9	4.6	4.2	5.1	4.9	5.0

Source: Kenya National Bureau of Statistics

Table 2: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
19-Sep-25	129.24	175.41	152.21	87.30	27.10	19.15	11.22	23.09
22-Sep-25	129.24	173.98	151.62	87.17	27.10	19.15	11.23	23.10
23-Sep-25	129.24	174.51	152.13	87.38	27.10	19.09	11.23	23.10
24-Sep-25	129.24	174.72	152.43	87.46	27.10	19.07	11.22	23.10
25-Sep-25	129.26	173.64	151.71	86.92	27.04	19.07	11.22	23.09
Sep 19-25	129.24	174.45	152.02	87.24	27.09	19.11	11.23	23.10
26-Sep-25	129.26	172.88	151.04	86.49	27.04	18.99	11.23	22.78
29-Sep-25	129.25	173.13	151.12	86.41	27.03	18.99	11.23	22.78
30-Sep-25	129.24	173.46	151.65	86.98	27.00	19.00	11.20	22.79
01-Oct-25	129.24	173.54	151.57	87.35	27.00	19.00	11.23	22.79
02-Oct-25	129.24	174.76	151.93	88.11	26.77	19.03	11.23	22.79
Sep 26-Oct 2	129.25	173.55	151.46	87.07	26.97	19.00	11.22	22.78

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 3: Usable Foreign Exchange Reserves (USD Million)

	04-Sep-25	11-Sep-25	18-Sep-25	25-Sep-25	02-Oct-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	10,902	11,170	10,861	10,735	10,717
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.8	4.9	4.8	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

Table 4: Interbank Deals, Volumes and Interest Rates

Date	Number of Deals	Value (KSh M)	KESONIA (%)*
19-Sep-25	14	12,220.00	9.43
22-Sep-25	37	24,750.00	9.48
23-Sep-25	42	26,550.00	9.47
24-Sep-25	30	11,800.00	9.48
25-Sep-25	30	10,900.00	9.48
Sep 19-25	31	17,244.00	9.47
26-Sep-25	38	16,260.00	9.49
29-Sep-25	31	22,780.00	9.52
30-Sep-25	25	10,850.00	9.51
1-Oct-25	24	6,770.00	9.51
2-Oct-25	32	18,740.00	9.51
Sep 26-Oct 2	30	15,080.00	9.51

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

Source: Central Bank of Kenya

Table 5: Performance of Treasury Bill Auctions

91-Day Treasury Bills						
Date of Auction	27-Mar-25	26-Jun-25	31-Jul-25	28-Aug-25	25-Sep-25	02-Oct-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)	2,790.24	1,449.26	1,973.68	19,969.98	1,621.59	1,614.14
Amount Accepted (KSh M)	2,704.14	1,442.77	1,969.82	19,878.57	1,543.79	1,608.77
Maturities (KSh M)	2,191.25	2,682.00	2,171.90	18,897.20	1,418.30	2,621.20
Average Interest Rate (%)	8.791	8.139	8.111	8.000	7.914	7.924
182-Day Treasury Bills						
Date of Auction	27-Mar-25	26-Jun-25	31-Jul-25	28-Aug-25	25-Sep-25	02-Oct-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)	1,706.31	1,200.39	2,141.04	1,804.38	1,939.33	6,134.86
Amount Accepted (KSh M)	1,701.35	1,198.53	2,102.68	1,782.88	1,927.07	6,130.71
Maturities (KSh M)	3,580.40	321.35	2,609.60	7,185.60	1,713.85	4,617.90
Average Interest Rate (%)	9.058	8.461	8.410	8.050	7.985	7.985
364-Day Treasury Bills						
Date of Auction	27-Mar-25	26-Jun-25	31-Jul-25	28-Aug-25	25-Sep-25	02-Oct-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)	10,249.39	11,839.57	11,978.10	10,254.91	11,532.10	7,384.98
Amount Accepted (KSh M)	10,104.04	11,798.48	11,951.23	10,250.60	11,510.14	7,376.42
Maturities (KSh M)	8,813.10	2,094.10	1,049.65	2,605.40	6,704.90	10,144.75
Average Interest Rate (%)	10.412	9.722	9.718	9.569	9.533	9.541

Source: Central Bank of Kenya

Table 6: Performance of Treasury Bond Auctions

Date of Auction	09-Jul-25		13-Aug-25		20-Aug-25		03-Sep-25	17-Sep-25	
	RE-OPEN		RE-OPEN		TAP SALE		RE-OPEN	RE-OPEN	
Tenor	FXD1/ 2018/020	SDB1/ 2011/030	IFB1/ 2018/015	IFB1/ 2022/019	IFB1/ 2018/015	IFB1/ 2022/019	SDB1/ 2011/030	FXD1/ 2018/020	FXD1/ 2022/025
Amount offered (KSh M)	50,000.00		90,000.00		50,000.00		20,000.00	40,000.00	
Bids received (KSh M)	33,075.11	43,832.49	215,941.68	107,489.73	130,339.80	77,114.65	8,069.30	33,376.76	63,908.93
Amount Accepted (KSh M)	30,572.40	36,078.54	50,658.38	44,355.22	127,982.99	51,791.91	2,398.97	23,505.27	37,934.37
Maturities (KSh M)									
Average interest Rate (%)	13.90	14.35	12.99	14.00	12.99	14.00	13.96	13.58	14.14

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve

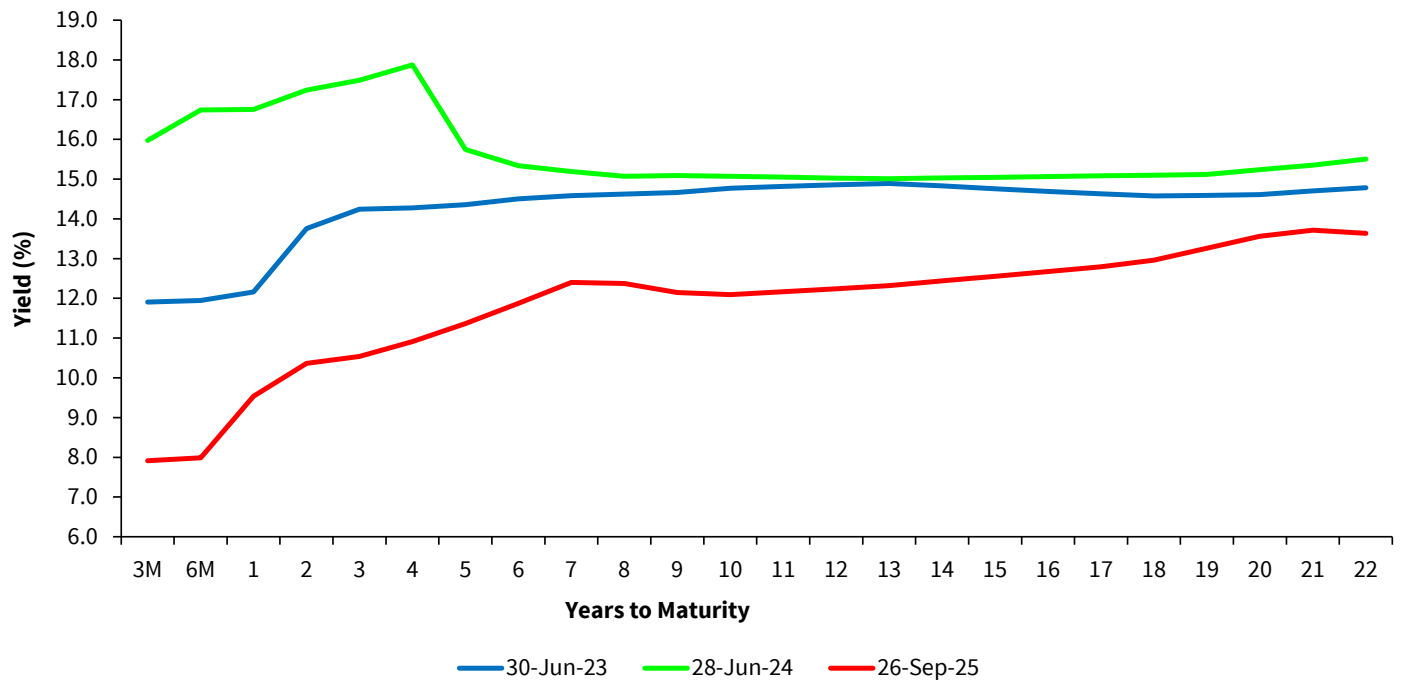


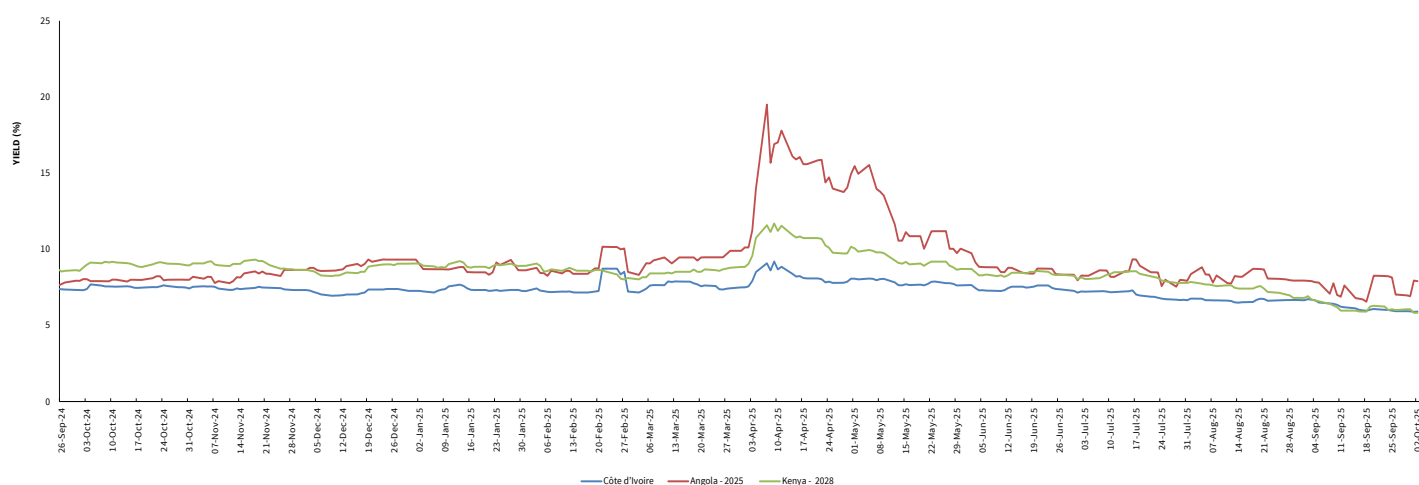
Table 7: Performance of Key Market Indicators

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 Million)	EuroBond Yields (%)				
									10-Year 2028	6-Year 2031	12-Year 2032	13-Year 2034	30-Year 2048
19-Sep-25	173.50	4,499.62	2,903.15	4,392	18.89	573.32	2,733.52	8,345.10	6.2351	8.0223	8.2496	8.5916	9.3927
22-Sep-25	173.40	4,494.26	2,902.38	4,003	11.23	337.54	2,731.92	4,386.80	6.2894	8.0878	8.3065	8.6897	9.4668
23-Sep-25	174.32	4,520.79	2,916.97	4,176	31.08	1,055.35	2,746.43	10,936.13	6.2327	8.0536	8.2498	8.5928	9.4075
24-Sep-25	177.13	4,606.80	2,962.30	4,307	63.00	2,002.07	2,790.73	14,659.30	6.0099	7.8870	8.1086	8.4005	9.2616
25-Sep-25	177.80	4,629.87	2,974.45	4,147	45.29	1,703.15	2,801.23	12,690.78	6.0612	7.9501	8.1653	8.4743	9.2905
Sept 19-25	177.80	4,629.87	2,974.45	21,025.00	169.49	5,671.42	2,801.23	51,018.11	6.0610	7.9500	8.1650	8.4740	9.2910
26-Sep-25	177.89	4634.69	2978.63	4,031	20.80	454.62	2,802.61	14587.4	6.003	7.8488	8.0526	8.3794	9.2328
29-Sep-25	176.68	4612.52	2964.45	4,512	12.17	151.47	2,783.58	13967.35	6.0572	7.914	8.1373	8.4519	9.276
30-Sep-25	176.74	4624.72	2972.64	4,619	24.85	535.80	2,784.47	11875.75	6.0558	7.8798	8.1091	8.4285	9.2472
1-Oct-25	178.16	4651.32	2985.91	3,541	20.25	482.97	2,806.88	8157.7	5.8289	7.9099	8.1377	8.4302	9.2761
2-Oct-25	178.96	4672.29	3004.28	4,243	22.81	443.61	2,819.55	5470.05	5.8273	7.9089	8.1378	8.4307	9.2761
Sept 26 – Oct 2	178.96	4,672.29	3,004.28	20,946.00	100.89	2,068.48	2,819.55	54,058.25	5.827	7.909	8.138	8.431	9.276
Weekly Chang- es (%)	0.65	0.92	1.00	-0.38	-40.48	-63.53	0.65	5.96	-0.234*	-0.041*	-0.027*	-0.044*	-0.014*

* Percentage points

Source: Nairobi Securities Exchange (NSE) and Thomson Reuters

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



Source: London Stock Exchange

Table 8: Government Domestic Debt (KSh Billion)

	31-Dec-24	28-Mar-25	30-Apr-25	30-Jun-25	25-Jul-25	29-Aug-25	19-Sep-25	26-Sep-25
1. Treasury Bills (Excluding Repos)	846.10	915.44	946.92	1,036.87	1,047.19	1,055.07	1,073.25	1,075.73
<i>(As % of total securities)</i>	14.77	15.41	15.87	16.87	16.82	16.43	16.70	16.57
2. Treasury Bonds	4,884.05	5,025.43	5,020.02	5,110.01	5,180.21	5,367.27	5,353.94	5,415.65
<i>(As % of total securities)</i>	85.23	84.59	84.13	83.13	83.18	83.57	83.30	83.43
3. Total Securities (1+2)	5,730.15	5,940.87	5,966.93	6,146.88	6,227.40	6,422.34	6,427.19	6,491.37
4. Overdraft at Central Bank	37.48	86.51	84.93	67.63	46.70	34.86	76.82	55.02
5. Other Domestic debt*	101.15	99.32	112.24	111.50	112.00	108.46	108.92	108.23
of which IMF funds on-lent to Government	80.29	78.71	80.56	80.56	81.46	78.47	78.93	78.93
6. Gross Domestic Debt (3+4+5)	5,868.77	6,126.70	6,164.10	6,326.01	6,386.10	6,565.67	6,612.93	6,654.63

* Other domestic debt includes clearing items in transit, advances from commercial banks and Pre-1997 Government Overdraft.

Source: Central Bank of Kenya

Table 9: Composition of Government Domestic Debt by Instrument (Percent)

	28-Jun-24	31-Dec-24	28-Mar-25	30-Jun-25	25-Jul-25	29-Aug-25	19-Sep-25	26-Sep-25
Treasury bills (Excluding Repos)	11.38	14.42	14.94	16.39	16.40	16.07	16.23	16.17
Treasury bonds	85.52	83.22	82.03	80.78	81.12	81.75	80.96	81.38
Overdraft at Central Bank	1.13	0.64	1.41	1.07	0.73	0.53	1.16	0.83
Other domestic debt	1.96	1.72	1.62	1.76	1.75	1.65	1.65	1.63
of which IMF fund on lent to government	1.54	1.37	1.28	1.27	1.28	1.20	1.19	1.19
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: Central Bank of Kenya

Table 10: Government Domestic Debt by Sector (Percent)

	31-Jul-25	31-Aug-25	04-Sep-25	05-Sep-25	12-Sep-25	18-Sep-25	19-Sep-25	26-Sep-25
Financial Corporations	78.8	78.5	78.4	78.4	78.5	78.5	78.5	78.5
<i>O/W Commercial Banks</i>	35.6	35.1	35.3	35.3	35.5	35.6	35.6	35.3
<i>Pension Funds</i>	14.5	14.4	14.4	14.4	14.4	14.4	14.4	14.5
<i>Insurance Companies</i>	13.1	13.0	13.0	13.0	13.0	13.0	13.0	13.0
General Government	8.0	7.0	7.3	7.3	7.3	7.3	7.3	7.3
Households	6.4	6.6	6.6	6.6	6.6	6.6	6.6	6.5
Non-Residents	4.5	4.7	4.7	4.7	4.7	4.7	4.7	4.7
Nonfinancial corporations	2.0	2.1	2.1	2.1	2.1	2.1	2.1	2.1
Non-Profit Institutions	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9
Total	100	100	100	100.0	100.0	100.0	100.0	100.0

*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 11: Public Debt

	Jun-23	Dec-23	Jun-24	Dec-24	Mar-25	Apr-25	May-25	June-25*
Domestic debt (Ksh Bn)	4,832.11	5,050.11	5,410.28	5,868.77	6,126.70	6,164.10	6,203.54	6,326.01
Public & Publicly Guaranteed External debt (USD \$ Bn)	38.76	38.92	39.77	39.11	40.51	41.19	41.07	42.44
Public & Publicly Guaranteed External debt (Ksh Bn)	5,446.56	6,089.58	5,150.84	5,057.01	5,238.30	5,327.88	5,308.18	5,484.83
Public Debt (Ksh Bn)	10,278.67	11,139.69	10,561.12	10,925.78	11,364.99	11,491.98	11,511.72	11,810.84

* Provisional

Source: The National Treasury and Central Bank of Kenya