Central Bank of Kenya

Weekly Bulletin

May 30, 2025

RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Exchange Rates
The Kenya Shilling remained stable against major international and regional currencies during the week ending May 29. It exchanged KSh 129.26 per US dollar on May 29, compared to KSh 129.24 per US dollar on May 22 **(Table 1)**.

Foreign Exchange Reserves
The usable foreign exchange reserves remained adequate at USD 10,467 million (4.7 months of import cover) as of May 29. This meets the 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 May 29. Open market operations remained active. Commercial banks' excess reserves stood at KSh 15.8 in relation to the 3.25 percent cash reserves requirement (CRR). The average interbank rate was at 9.82 percent on May 29 compared to 9.84 percent on May 22. During the week, the average number of interbank deals increased to 14 from 10 in the previous week, while the average value traded increased to KSh 6.9 billion from KSh 3.6 billion in the previous week **(Table 3)**.

Government Securities Market
The Treasury bill auction of May 29 received bids totalling KSh 55.1 billion against an advertised amount of KSh 24.0 billion, representing a performance of 229.6 percent. Interest rate on the 91-day, 182-day and 364-day Treasury bills declined slightly **(Table 4).**

Equity Market
At the Nairobi Securities Exchange, the NASI share price index increased by 0.46 percent, while the NSE 25 and NSE 20 indices decreased by 1.01 percent and 0.44 percent, respectively, during the week ending May 29. Market capitalization increased by 0.45 percent, while total shares traded and equity turnover decreased by 0.31 percent and 14.28 percent, respectively **(Table 6).**

Bond Market
Bond turnover in the domestic secondary market increased by 7.37 percent during the week ending May 29 **(Table 6).** In the international market, yields on Kenya's Eurobonds decreased by 37.82 basis points on average. Yields on Angola and Côte d'Ivoire Eurobonds also decreased **(Chart 2)**.

Global Trends
Reserve Bank of South Africa reduced it's policy interest rate by 25 basis points to 7.25 percent, with inflation remaining below target range. The U.S. Dollar Index weakened by 0.6 percent, driven by ongoing trade policy uncertainties and concerns over the U.S. fiscal position, which prompted a shift in investor sentiment. Market sentiment continues to be driven by the uncertainty and ongoing legal battles over U.S. trade policy.

International oil prices edged up slightly during the week, with Murban crude oil trading at USD 64.57 per barrel on May 29, compared to USD 63.61 on May 22, reflecting expectations of sustained global demand.

Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
16-May-25	129.30	172.26	144.90	88.96	28.23	20.78	10.93	23.01
19-May-25	129.23	171.91	144.57	88.99	28.31	20.58	11.03	23.02
20-May-25	129.24	172.82	145.35	89.31	28.30	20.78	10.94	23.02
21-May-25	129.23	173.56	146.41	89.93	28.27	20.86	10.93	23.03
22-May-25	129.24	173.55	146.45	90.21	28.26	20.93	10.93	23.03
May 16-22	**129.25**	**172.68**	**145.32**	**89.30**	**28.28**	**20.75**	**10.95**	**23.02**
23-May-25	129.25	173.40	145.92	89.86	28.24	20.87	10.93	23.02
26-May-25	129.24	175.49	147.44	90.60	28.24	20.87	11.04	23.03
27-May-25	129.24	175.06	146.99	90.31	28.23	20.89	11.04	23.03
28-May-25	129.29	174.11	146.10	89.43	28.22	20.86	10.93	23.02
29-May-25	129.26	173.63	145.31	88.58	28.18	20.87	10.94	23.03
May 23-29	**129.26**	**174.34**	**146.35**	**89.76**	**28.22**	**20.87**	**10.98**	**23.03**

**Units of currency per Kenya Shilling*

Source: Central Bank of Kenya

Table 2: Usable Foreign Exchange Reserves (USD Million)

	30-Apr-25	08-May-25	15-May-25	22-May-25	29-May-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	9,749	10,291	10,164	10,308	10,467
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.4	4.6	4.5	4.6	4.7

**Excludes encumbered reserves*

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

Source: Central Bank of Kenya

Table 3: Money Market

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
16-May-25	15	6,410.00	9.85
19-May-25	9	3,120.00	9.87
20-May-25	6	1,250.00	9.90
21-May-25	5	1,250.00	9.90
22-May-25	16	5,930.00	9.84
May 16-22	**10**	**3,592.00**	**9.87**
23-May-25	21	13,695.00	9.83
26-May-25	15	5,811.00	9.83
27-May-25	11	3,000.00	9.80
28-May-25	11	8,750.00	9.76
29-May-25	10	3,020.00	9.82
May 23-29	**14**	**6,855.20**	**9.81**

Source: Central Bank of Kenya

Table 4: Performance of Treasury Bill Auctions

91-Day Treasury Bills						
Date of Auction	**27-Dec-24**	**27-Feb-25**	**27-Mar-25**	**30-Apr-25**	**22-May-25**	**29-May-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)	2,242.28	17,956.38	2,790.24	2,184.51	4,527.67	19,200.95
Amount Accepted (KSh M)	2,208.47	19,934.89	2,704.14	2,182.56	4,508.55	19,196.07
Maturities (KSh M)	3,443.00	16,257.75	2,191.25	2,380.85	4,146.20	18,288.25
Average Interest Rate (%)	**9.895**	**8.937**	**8.791**	**8.406**	**8.323**	**8.293**
182-Day Treasury Bills						
Date of Auction	**27-Dec-24**	**27-Feb-25**	**27-Mar-25**	**30-Apr-25**	**22-May-25**	**29-May-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)	435.30	6,896.23	1,706.31	1,283.06	11,387.30	9,773.86
Amount Accepted (KSh M)	435.30	6,896.23	1,701.35	1,283.06	7,525.72	8,808.97
Maturities (KSh M)	1,534.00	4,784.10	3,580.40	6,157.90	13,169.20	4,359.35
Average Interest Rate (%)	**10.022**	**9.240**	**9.058**	**8.619**	**8.575**	**8.564**
364-Day Treasury Bills						
Date of Auction	**27-Dec-24**	**27-Feb-25**	**27-Mar-25**	**30-Apr-25**	**22-May-25**	**29-May-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)	2,189.12	11,696.07	10,249.39	14,906.47	18,271.63	26,134.08
Amount Accepted (KSh M)	2,189.12	11,681.09	10,104.04	14,906.47	17,906.59	15,688.45
Maturities (KSh M)	1,918.60	10,152.85	8,813.10	12,255.55	6,129.50	7,333.60
Average Interest Rate (%)	**11.410**	**10.500**	**10.412**	**10.006**	**10.003**	**10.000**

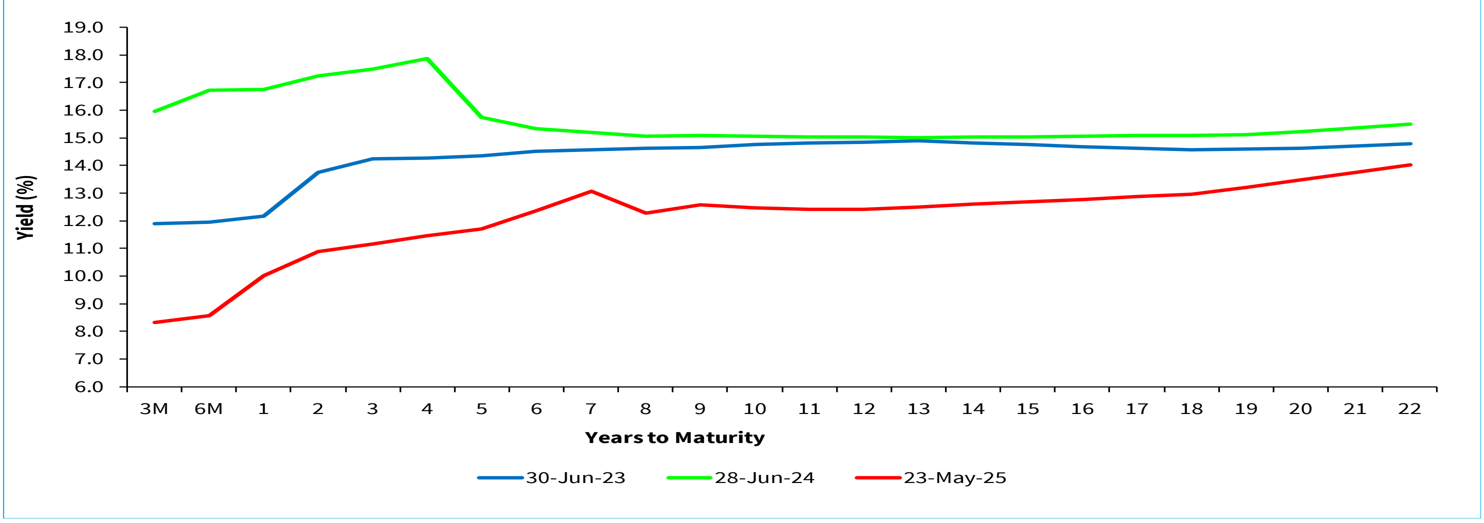
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	**02-Apr-25**			**10-Apr-25**	**30-Apr-25**		**07-May-25**
	RE-OPEN			**TAP**	**RE-OPEN**		**RE-OPEN**
Tenor	**FXD1/ 2020/015**	**FXD1/ 2022/015**	**FXD1/ 2022/025**	**FXD1/ 2020/015**	**FXD1/ 2022/015**	**FXD1/ 2022/025**	**FXD1/ 2012/20**
Amount offered (KSh M)	70,000.00			10,000.00	50,000.00		30,000.00
Bids received (KSh M)	20,896.78	18,148.40	32,683.70	13,239.65	26,413.49	30,681.72	54,388.38
Amount Accepted (KSh M)	20,882.12	17,980.34	32,536.17	12,592.55	25,280.99	25,103.28	43,520.27
Maturities (KSh M)					69,619.55		14,230.89
Average interest Rate (%)	13.67	13.83	14.23	13.67	13.91	14.54	13.65

Source: Central Bank of Kenya

Chart 1: Government Securities Yield Curve



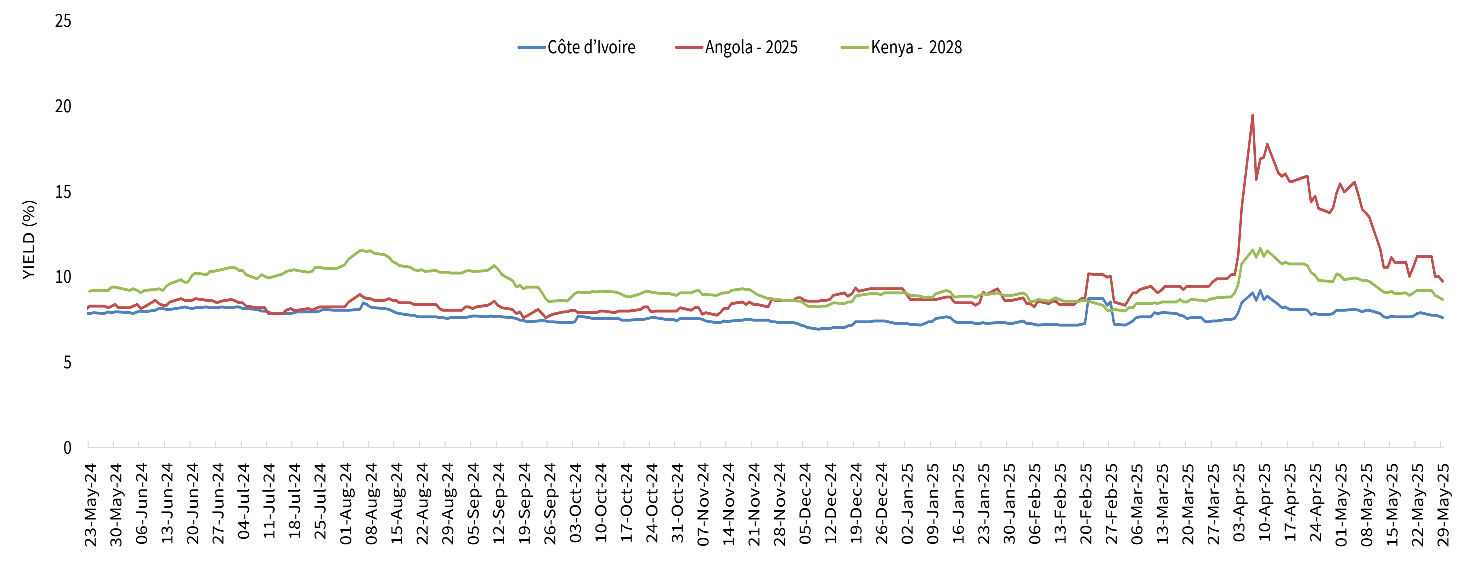
Source: Nairobi Securities Exchange (NSE)

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 Turn-over (KSh Million)	Market Capitaliza-tion (KSh Billion)	Bonds Turnover (KSh Mil-lion)	10-Year 2028	6-Year 2031	12-Year 2032	13-Year 2034	30-Year 2048
16-May-25	134.27	3,587.30	2,195.93	1,767.00	18.6584	508.93	2,112.06	5054.3	9.008	10.185	10.252	10.114	10.820
19-May-25	134.51	3,588.73	2,200.81	1,590.00	22.9655	464.71	2,115.87	9487.05	9.063	10.289	10.344	10.222	10.893
20-May-25	134.02	3,592.08	2,201.20	1,602.00	35.2185	706.31	2,108.23	8667.99	8.905	10.151	10.102	10.090	10.802
21-May-25	134.27	3,591.70	2,202.88	1,660.00	13.1641	370.73	2,112.11	14119.65	9.067	10.255	10.315	10.197	10.912
22-May-25	133.84	3,577.97	2,190.00	1,658.00	8.3337	139.81	2,105.35	14576.75	9.181	10.360	10.410	10.308	11.024
May 16- 22	**133.84**	**3,577.97**	**2,190.00**	**8,277.00**	**98.34**	**2,190.49**	**2,105.35**	**51,905.74**	**9.181**	**10.360**	**10.410**	**10.308**	**11.024**
23-May-25	133.91	3,577.98	2,189.83	1,926.00	11.77	262.94	2,106.46	12758.45	9.183	10.395	10.473	10.391	11.061
26-May-25	132.37	3,523.38	2,161.38	2,072.00	17.79	392.08	2,082.18	9177.10	9.183	10.395	10.473	10.391	11.061
27-May-25	132.71	3,515.61	2,164.88	1,842.00	14.34	225.38	2,087.57	15154.05	8.915	10.118	10.228	10.203	10.894
28-May-25	134.12	3,531.47	2,174.41	1,954.00	22.95	481.42	2,109.77	11636.10	8.81	9.946	10.107	10.098	10.839
29-May-25	134.45	3,541.69	2,180.26	1,789.00	31.19	515.96	2,114.90	7003.00	8.652	9.878	10.048	10.047	10.767
May 23- 29	**134.45**	**3,541.69**	**2,180.26**	**9,583.00**	**98.04**	**1,877.78**	**2,114.90**	**55,728.70**	**8.652**	**9.878**	**10.048**	**10.047**	**10.767**
Weekly Changes (%)	**0.46**	**-1.01**	**-0.44**	**15.78**	**-0.31**	**-14.28**	**0.45**	**7.37**	**-0.529***	**-0.482***	**-0.362***	**-0.261***	**-0.257***

** 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)

	28-Jun-24	31-Dec-24	31-Jan-25	28-Feb-25	28-Mar-25	25-Apr-25	16-May-25	23-May-25
1. Treasury Bills (Excluding Repos)	615.89	846.10	856.32	886.83	915.44	941.49	949.92	954.47
(As % of total securities)	*11.75*	*14.77*	*14.78*	*15.02*	*15.41*	*15.79*	*15.87*	*15.94*
2. Treasury Bonds	4,627.12	4,884.05	4,936.77	5,016.91	5,025.43	5,020.02	5,034.07	5,034.07
(As % of total securities)	*88.25*	*85.23*	*85.22*	*84.98*	*84.59*	*84.21*	*84.13*	*84.06*
3. Total Securities (1+2)	5,243.01	5,730.15	5,793.08	5,903.74	5,940.87	5,961.51	5,983.98	5,988.53
4. Overdraft at Central Bank	61.02	37.48	35.24	60.57	86.51	94.89	93.21	94.44
5. Other Domestic debt*	106.25	101.15	100.66	100.05	99.32	99.19	112.23	112.23
of which IMF funds on-lent to Government	83.54	80.29	79.58	79.62	78.71	78.71	80.56	80.56
6. Gross Domestic Debt (3+4+5)	**5,410.28**	**5,868.77**	**5,928.98**	**6,064.36**	**6,126.70**	**6,155.60**	**6,189.43**	**6,195.21**

** 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	28-Jun-24	31-Dec-24	28-Feb-25	28-Mar-25	25-Apr-25	16-May-25	23-May-25
Treasury bills (Excluding Repos)	12.72	11.38	14.42	14.62	14.94	15.29	15.35	15.41
Treasury bonds	83.07	85.52	83.22	82.73	82.03	81.55	81.36	81.26
Overdraft at Central Bank	1.58	1.13	0.64	1.00	1.41	1.54	1.51	1.52
Other domestic debt	2.63	1.96	1.72	1.65	1.61	1.61	1.78	1.81
of which IMF fund on lent to government	1.98	1.54	1.37	1.31	1.27	1.28	1.27	1.30
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	28-Jun-24	31-Dec-24	28-Feb-25	28-Mar-25	25-Apr-25	16-May-25	23-May-25
Banking Institutions	46.17	45.12	45.05	45.40	45.41	45.32	45.07	45.09
Insurance Companies	7.31	7.23	7.32	7.23	7.13	7.24	7.24	7.24
Parastatals	5.98	5.13	5.60	5.97	6.07	5.95	5.90	5.85
Pension Funds*	33.42	29.60	28.88	28.29	28.28	28.34	28.76	28.72
Other Investors	7.13	12.92	13.16	13.11	13.11	13.15	13.03	13.10
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: Public Debt

	Sep-23	Dec-23	Mar-24	Jun-24	Nov-24	Dec-24	March-25*
Domestic debt (KSh Bn)	4,917.47	5,050.11	5,235.19	5,410.28	5,809.30	5,868.77	6,126.70
Public & Publicly Guaranteed External debt (USD Bn)	38.27	38.92	39.18	39.77	39.62	39.11	40.51
Public & Publicly Guaranteed External debt (KSh Bn)	5,667.80	6,089.58	5,163.42	5,150.84	5,138.13	5,057.01	5,238.30
Public debt (KSh Bn)	**10,585.27**	**11,139.69**	**10,398.61**	**10,561.12**	**10,947.43**	**10,925.78**	**11,364.99**

** Provisional*
Source: The National Treasury and Central Bank of Kenya