



Central Bank of Kenya

# Weekly Bulletin

February 27, 2026



## RECENT MONETARY AND FINANCIAL DEVELOPMENTS

### Inflation

Headline inflation remained relatively stable at 4.3 percent in February 2026 compared to 4.4 percent in January 2026. Core inflation declined to 2.1 percent from 2.2 in January mainly on account of reduced inflation for processed food items. Similarly, non-core inflation eased to 10.1 percent from 10.3 percent in January largely driven by lower energy inflation (**Chart 1**).

### Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending February 26, 2026. It exchanged at KSh. 129.02 per U.S. dollar on February 26, unchanged from February 19 (**Table 1**).

### Foreign Exchange Reserves

The foreign exchange reserves remained adequate at USD 12,535 million (5.4 months of import cover) as of February 26. 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 February 26, 2026, with open market operations remaining active. Commercial banks' excess reserves averaged KSh 52.3 billion above the 3.25 percent Cash Reserve Ratio (CRR) requirement. The Kenya Shilling Overnight Interbank Average Rate (KESONIA) remained stable at 8.77 percent on February 26. During the week, the average number of interbank transactions declined to 18 from 26 in the previous week, while the average value traded also edged down to KSh 9.0 billion from KSh 9.1 billion (**Table 3**).

### Government Securities Market

The Treasury bill auction of February 26 received bids totalling KSh 58.5 billion against an advertised amount of KSh 24.0 billion, representing a performance of 243.9 percent. Interest rate on the 91-day and 364-day Treasury bills declined while interest rate on the 182-day Treasury Bill increased marginally (**Table 4**).

### Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices increased by 2.10 percent, 2.43 percent and 1.49 percent, respectively, during the week ending February 26, 2026. Market capitalization and total shares traded increased by 2.10 percent, 28.97 percent, while equity turnover decreased by 5.58 percent respectively (**Table 6**).

### Bond Market

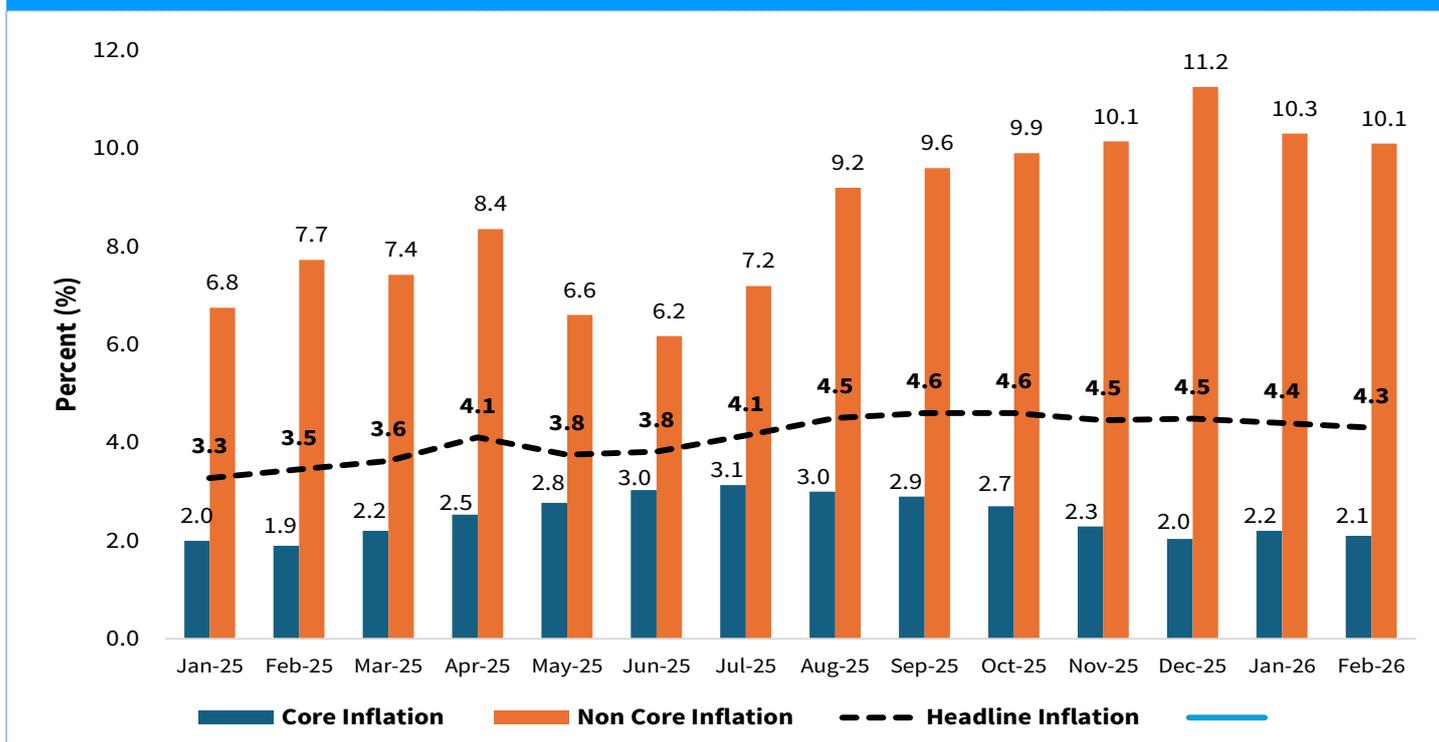
Bond turnover in the domestic secondary market increased by 36.94 percent during the week ending February 26, 2025 (**Table 6**). In the international market, yields on Kenya's Eurobonds increased by 1.68 basis points on average. Yields for Angola and for Côte d'Ivoire also increased (**Chart 3**).

### Global Trends

The U.S labour market eased during the week ending February 21 with the initial jobless claims falling marginally than expected to 212,000. The U.S. Dollar Index weakened by 0.14 percent during the week, largely driven by policy uncertainty and market volatility after the U.S Supreme Court ruling on tariffs imposed by U.S Government.

International oil prices fell during the week, largely reflecting ongoing US-Iran nuclear talks despite heightened concerns about trade policy uncertainty. Murban crude oil traded at USD 69.73 per barrel on February 26 compared to USD 70.76 per barrel on February 19.

**Chart 1: Inflation developments (Percent)**



Source: Central Bank of Kenya

**Table 1: Kenya Shilling Exchange Rates**

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
13-Feb-26	129.02	175.53	153.05	84.18	27.45	20.11	11.28	22.86
16-Feb-26	129.02	175.97	153.07	84.22	27.43	20.07	11.29	22.91
17-Feb-26	129.02	175.87	152.97	84.15	27.43	20.22	11.28	22.97
18-Feb-26	129.02	174.52	152.52	84.05	27.37	20.11	11.28	22.98
19-Feb-26	129.02	174.00	152.12	83.15	27.62	20.07	11.28	22.98
<b>Feb 13-19</b>	<b>129.02</b>	<b>175.18</b>	<b>152.75</b>	<b>83.95</b>	<b>27.46</b>	<b>20.12</b>	<b>11.28</b>	<b>22.94</b>
20-Feb-26	129.02	173.42	151.65	83.12	27.78	20.07	11.29	22.98
23-Feb-26	129.02	174.09	151.99	83.12	27.86	19.99	11.29	22.98
24-Feb-26	129.02	173.96	151.88	83.12	27.83	19.85	11.29	22.98
25-Feb-26	129.02	174.00	151.92	82.74	27.78	19.88	11.32	22.99
26-Feb-26	129.02	174.34	151.94	82.35	27.84	19.84	11.29	22.97
<b>Feb 20-26</b>	<b>129.02</b>	<b>173.96</b>	<b>151.88</b>	<b>82.89</b>	<b>27.82</b>	<b>19.93</b>	<b>11.30</b>	<b>22.98</b>

\*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

**Table 2: Foreign Exchange Reserves (USD Million)**

	29-Jan-26	05-Feb-26	12-Feb-26	19-Feb-26	26-Feb-26
1. CBK Foreign Exchange Reserves (USD Million)	12,334	12,387	12,485	12,659	12,535
2. CBK Foreign Exchange Reserves (Months of Import Cover)*	5.3	5.3	5.4	5.5	5.4

\*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 (%)*
13-Feb-26	34	12,940.00	8.77
16-Feb-26	35	11,994.00	8.78
17-Feb-26	28	8,100.00	8.77
18-Feb-26	18	5,800.00	8.78
19-Feb-26	14	6,700.00	8.77
<b>Feb 13-19</b>	<b>26</b>	<b>9,106.80</b>	<b>8.77</b>
20-Feb-26	13	5,620.00	8.78
23-Feb-26	16	5,500.00	8.77
24-Feb-26	23	10,435.00	8.77
25-Feb-26	22	11,705.00	8.77
26-Feb-26	18	11,645.00	8.77
<b>Feb 20-26</b>	<b>18</b>	<b>8,981.00</b>	<b>8.77</b>

\* 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	31-Dec-25	29-Jan-26	05-Feb-26	12-Feb-26	19-Feb-26	26-Feb-26
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)	6,327.87	6,351.83	12,957.27	7,181.44	13,048.22	12,341.17
Amount Accepted (KSh M)	6,327.87	6,351.83	12,957.27	7,162.86	12,976.11	12,270.21
Maturities (KSh M)	1,596.50	1,874.35	15,287.65	6,584.60	13,647.60	18,219.25
<b>Average Interest Rate (%)</b>	<b>7.729</b>	<b>7.633</b>	<b>7.630</b>	<b>7.609</b>	<b>7.590</b>	<b>7.580</b>
182-Day Treasury Bills						
Date of Auction	31-Dec-25	29-Jan-26	05-Feb-26	12-Feb-26	19-Feb-26	26-Feb-26
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)	11,290.24	2,278.70	497.24	6,876.80	11,355.00	791.31
Amount Accepted (KSh M)	11,290.24	2,251.20	497.24	6,856.65	11,355.00	788.44
Maturities (KSh M)	11,531.30	2,178.20	7,584.60	7,696.05	9,550.15	1,822.45
<b>Average Interest Rate (%)</b>	<b>7.800</b>	<b>7.800</b>	<b>7.788</b>	<b>7.770</b>	<b>7.750</b>	<b>7.800</b>
364-Day Treasury Bills						
Date of Auction	31-Dec-25	29-Jan-26	05-Feb-26	12-Feb-26	19-Feb-26	26-Feb-26
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)	8,299.70	38,580.81	50,829.29	60,047.93	46,541.92	45,396.34
Amount Accepted (KSh M)	8,291.31	38,573.56	36,582.91	30,780.52	24,739.15	28,755.11
Maturities (KSh M)	1,750.20	8,980.10	38,419.20	12,856.20	17,686.65	12,877.70
<b>Average Interest Rate (%)</b>	<b>9.210</b>	<b>9.207</b>	<b>9.200</b>	<b>8.976</b>	<b>8.901</b>	<b>8.789</b>

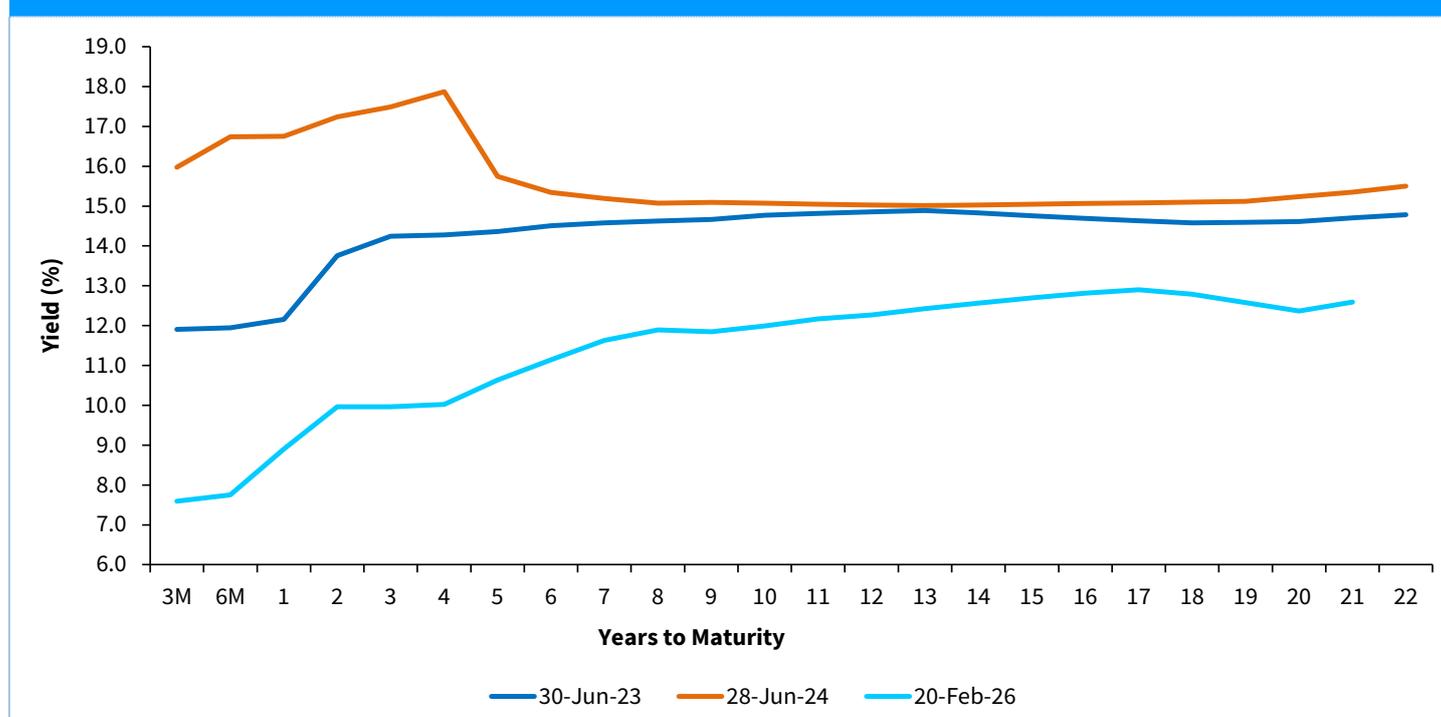
Source: Central Bank of Kenya

**Table 5: Performance of Treasury Bond Auctions**

Date of Auction	03-Dec-25		07-Jan-26		19-Jan-26	11-Feb-26	
	RE-OPEN		RE-OPEN		SWITCH	RE-OPEN	
Tenor	SDB1/ 2011/030	FXD1/ 2021/025	FXD1/ 2019/020	FXD1/ 2022/025	FXD1/ 2022/015	FXD3/ 2019/015	FXD1/ 2018/025
Amount offered (KSh M)	40,000.00		60,000.00		20,000.00	50,000.00	
Bids received (KSh M)	4,589.49	48,542.38	23,363.01	48,180.98	26,491.24	133,792.51	79,943.37
Amount Accepted (KSh M)	3,901.19	43,208.92	20,239.59	40,341.94	25,173.83	54,786.72	45,748.83
Maturities (KSh M)	2 5,199.80						
Average interest Rate (%)	13.32	13.62	13.26	13.76	13.17	12.18	13.36

Source: Central Bank of Kenya

**Chart 2: Government Securities Yield Curve**



Source: Nairobi Securities Exchange (NSE)

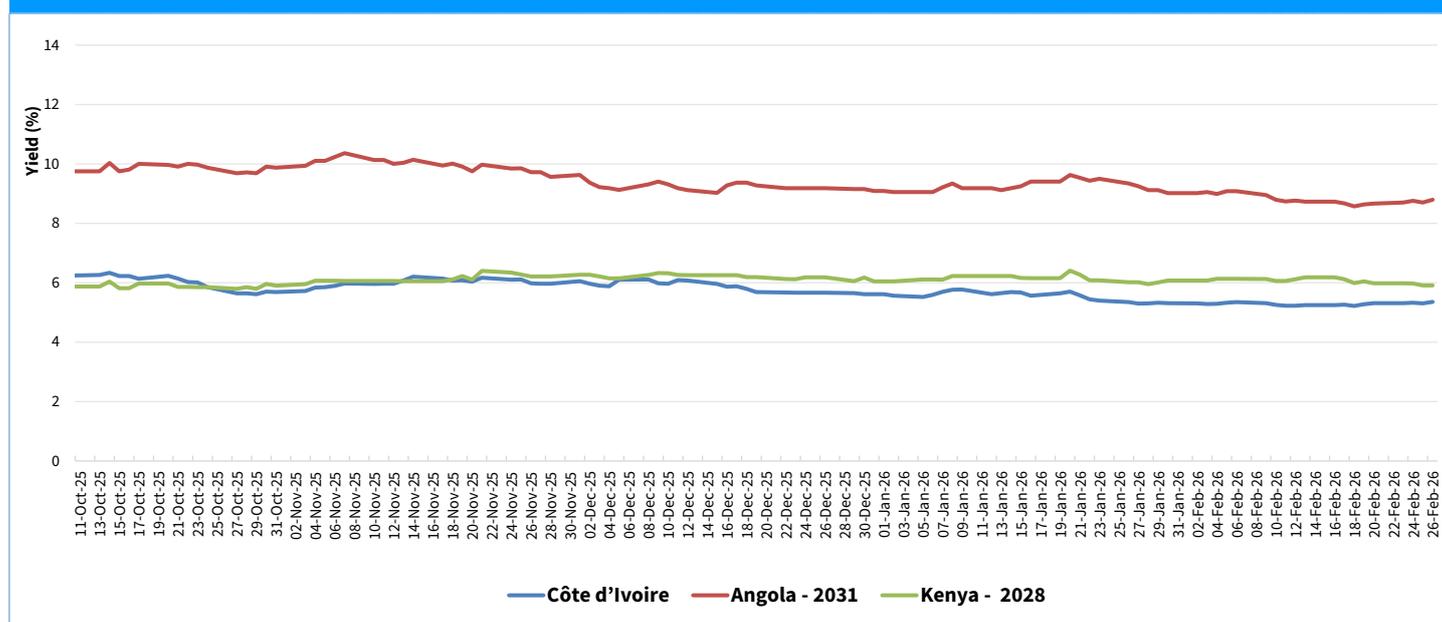
### Table 6: Performance of Key Market Indicators

INDICATOR	NASI 100=2008	NSE 25 Share Index	NSE 20 Share Index 100=1996	Total Deals (Equity)	Total Shares Traded (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
13-Feb-26	216.69	5,855.41	3,633.13	23,608.00	48.03	1,232.84	3,419.60	18,458.90	6.18	6.80	7.01	7.85	8.71
16-Feb-26	215.92	5,826.27	3,671.94	26,169.00	59.11	1,341.43	3,407.91	9,524.20	6.18	6.80	7.01	7.85	8.71
17-Feb-26	215.05	5,830.97	3,704.27	23,783.00	37.19	2,064.38	3,393.74	28,527.00	6.12	6.80	7.01	7.83	8.71
18-Feb-26	214.34	5,808.23	3,678.01	21,798.00	32.78	952.64	3,382.63	25,480.20	5.98	6.79	6.93	7.86	8.69
19-Feb-26	211.19	5,745.05	3,641.21	20,167.00	26.85	745.48	3,332.91	20,941.05	6.05	6.82	7.04	8.05	8.79
<b>Feb 13-19</b>	<b>211.19</b>	<b>5,745.05</b>	<b>3,641.21</b>	<b>115,525.00</b>	<b>203.96</b>	<b>6,336.76</b>	<b>3,332.91</b>	<b>102,931.35</b>	<b>6.05</b>	<b>6.82</b>	<b>7.04</b>	<b>8.05</b>	<b>8.79</b>
20-Feb-26	209.88	5,701.79	3,622.57	17,972.00	25.87	698.29	3,312.20	28,966.60	5.98	6.89	7.04	8.15	8.90
23-Feb-26	210.87	5,718.80	3,628.90	18,603.00	65.28	1,034.48	3,327.80	32,212.90	5.98	6.92	7.01	8.12	8.87
24-Feb-26	213.02	5,769.95	3,597.23	14,881.00	75.26	1,563.81	3,361.67	30,342.00	5.98	6.92	7.04	8.20	8.96
25-Feb-26	214.97	5,828.85	3,659.04	13,677.00	42.08	1,218.28	3,392.44	30,656.37	5.91	6.89	6.98	8.03	8.86
26-Feb-26	215.62	5,884.37	3,695.62	16,257.00	54.57	1,468.39	3,402.79	18,773.51	-	6.91	7.04	8.08	8.90
<b>Feb 20-26</b>	<b>215.62</b>	<b>5,884.37</b>	<b>3,695.62</b>	<b>81,390.00</b>	<b>263.06</b>	<b>5,983.25</b>	<b>3,402.79</b>	<b>140,951.38</b>	<b>5.91</b>	<b>6.91</b>	<b>7.04</b>	<b>8.08</b>	<b>8.90</b>
<b>Weekly Changes (%)</b>	<b>2.10</b>	<b>2.43</b>	<b>1.49</b>	<b>-29.55</b>	<b>28.97</b>	<b>-5.58</b>	<b>2.10</b>	<b>36.94</b>	<b>-0.138*</b>	<b>0.088*</b>	<b>-0.004*</b>	<b>0.0285*</b>	<b>0.109*</b>

\* 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 7: Government Domestic Debt (KSh Billion)**

	11-Dec-25	19-Dec-25	24-Dec-25	23-Jan-26	30-Jan-26	6-Feb-26	13-Feb-26	20-Feb-26
1. Treasury Bills (Excluding Repos)	1,060.03	1,067.69	1,074.00	1,103.98	1,093.18	1,130.93	1,123.09	1,143.73
<i>(As % of total securities)</i>	<b>15.97</b>	<b>16.06</b>	<b>16.14</b>	<b>16.37</b>	<b>16.24</b>	<b>16.71</b>	<b>16.61</b>	<b>16.62</b>
2. Treasury Bonds	5,578.98	5,578.98	5,578.98	5,639.04	5,639.04	5,639.04	5,639.04	5,738.93
<i>(As % of total securities)</i>	<b>84.03</b>	<b>83.94</b>	<b>83.86</b>	<b>83.63</b>	<b>83.76</b>	<b>83.29</b>	<b>83.39</b>	<b>83.38</b>
3. Total Securities (1+2)	6,639.01	6,646.67	6,652.98	6,743.02	6,732.22	6,769.97	6,762.13	6,882.66
4. Overdraft at Central Bank	76.56	99.35	94.19	39.57	51.47	38.88	64.73	63.58
5. Other Domestic debt*	106.41	106.42	107.60	105.85	105.85	105.85	105.85	105.85
of which IMF funds on-lent to Government	78.38	78.38	78.38	78.38	78.38	78.38	78.38	78.38
<b>6. Gross Domestic Debt (3+4+5)</b>	<b>6,821.99</b>	<b>6,852.45</b>	<b>6,854.78</b>	<b>6,888.44</b>	<b>6,889.54</b>	<b>6,914.70</b>	<b>6,932.70</b>	<b>7,052.09</b>

\* 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)**

	24-Dec-25	09-Jan-26	16-Jan-26	23-Jan-26	30-Jan-26	06-Feb-26	13-Feb-26	20-Feb-26
Treasury bills (Excluding Repos)	15.67	15.89	16.00	16.03	15.87	16.36	16.20	16.22
Treasury bonds	81.39	81.56	82.33	81.86	81.85	81.55	81.34	81.38
Overdraft at Central Bank	1.37	0.98	0.10	0.57	0.75	0.56	0.93	0.90
Other domestic debt	1.57	1.57	1.57	1.54	1.54	1.53	1.53	1.50
of which IMF fund on lent to government	1.14	1.15	1.14	1.14	1.14	1.13	1.13	1.11
<b>Total</b>	<b>100.00</b>							

Source: Central Bank of Kenya

**Table 9: Government Securities by Sector (Percent)**

	11-Dec-25	19-Dec-25	24-Dec-25	23-Jan-26	30-Jan-26	06-Feb-26	13-Jan-26	20-Feb-26
Financial Corporations	78.7	78.9	78.9	79.1	79.1	79.1	79.1	79.2
<i>O/W Commercial Banks</i>	34.5	34.7	34.8	35.1	35.1	35.4	35.4	35.7
<i>Pension Funds</i>	14.8	14.7	14.7	14.7	14.7	14.5	14.5	14.4
<i>Insurance Companies</i>	13.4	13.4	13.4	13.6	13.6	13.6	13.6	13.6
General Government	7.4	7.3	7.3	7.2	7.2	7.2	7.2	7.1
Households	6.5	6.4	6.4	6.4	6.4	6.4	6.4	6.3
Non-Residents	4.6	4.7	4.7	4.7	4.7	4.7	4.7	4.6
Nonfinancial corporations	1.9	1.8	1.8	1.8	1.8	1.8	1.7	1.7
Non-Profit Institutions	0.9	0.9	0.8	0.9	0.9	0.9	0.9	0.9
<b>Total</b>	<b>100.0</b>							

\*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**

	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25*
Domestic debt (Ksh Bn)	6,203.54	6,326.01	6,386.24	6,564.52	6,660.42	6,737.57	6,784.15	6,837.51
Public & Publicly Guaranteed External debt (USD \$ Bn)	41.07	42.44	41.67	41.81	41.73	42.18	42.13	42.34
Public & Publicly Guaranteed External debt (Ksh Bn)	5,308.18	5,484.83	5,385.30	5,403.28	5,393.53	5,451.89	5,469.19	5,461.97
Public Debt (Ksh Bn)	<b>11,511.72</b>	<b>11,810.84</b>	<b>11,771.54</b>	<b>11,967.80</b>	<b>12,053.95</b>	<b>12,189.46</b>	<b>12,253.34</b>	<b>12,299.48</b>

\* Provisional

Source: The National Treasury and Central Bank of Kenya