



Central Bank of Kenya

Weekly Bulletin

June 5, 2026



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Inflation

Overall inflation increased to 6.7 percent in May 2026 from 5.6 percent in April 2026, mainly driven by higher energy prices and transportation costs arising from the elevated global oil prices. Core inflation increased to 3.2 percent from 2.8 percent in May 2026 while non-core inflation increased to 16.0 percent from 13.4 percent over the same period (**Chart 1**).

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending June 4, 2026. It exchanged at KSh 129.37 per U.S. dollar on June 4, compared to KSh 129.52 on May 28 (**Table 1**).

Foreign Exchange Reserves

The foreign exchange reserves remained adequate at USD 13,201 million (5.6 months of import cover) as of June 4. 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 June 4, 2026, and open market operations remained active. Commercial banks' excess reserves averaged KSh 16.0 billion above the 3.25 percent Cash Reserve Ratio (CRR) requirement. The Kenya Shilling Overnight Interbank Average Rate (KESONIA) remained unchanged at 8.75 percent on June 4, the same level recorded on May 28. During the week, the average number of interbank transactions declined to 17 from 24 in the previous week, while the average value traded also declined to KSh 10.7 billion from KSh 18.6 billion in the previous week (**Table 3**).

Government Securities Market

The Treasury bill auction of June 4, received bids totalling KSh 54.6 billion against an advertised amount of KSh 24.0 billion, representing a performance of 227.4 percent. Interest rate on the 91-day, 182-day and 364-day Treasury bills increased marginally (**Table 4**).

During the Treasury bond auction of June 3, the reopened 15-year and 25-year treasury bonds received bids totaling KSh 34.4 billion against an advertised amount of KSh 40.0 billion, representing a performance of 86.0 percent (**Table 5**).

Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices increased by 1.78 percent, 2.20 percent and 1.49 percent, respectively, during the week ending June 4, 2026. Market capitalization, total shares traded and equity turnover also increased by 1.78 percent, 104.02 percent, and 132.29 percent, respectively (**Table 6**).

Bond Market

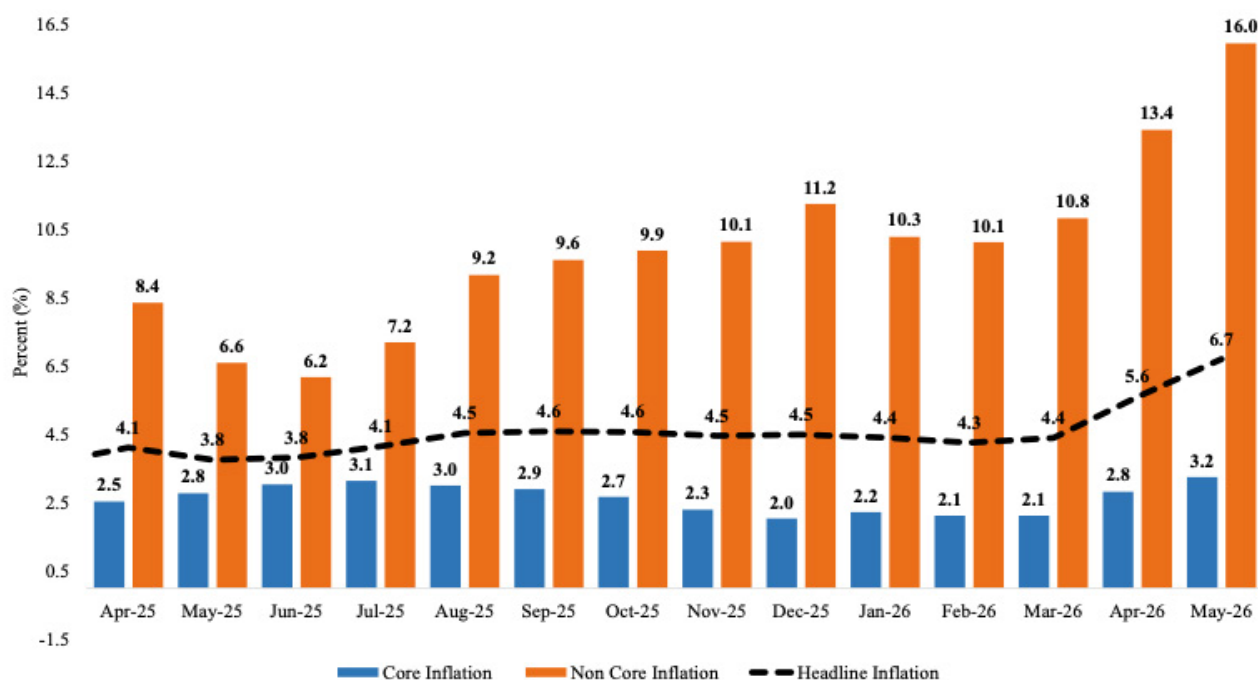
Bond turnover in the domestic secondary market decreased by 31.37 percent during the week ending June 4, 2026 (**Table 6**). In the international market, yields on Kenya's Eurobonds decreased by 6.11 basis points on average. Yields for Côte d'Ivoire and Angola also bonds decreased (**Chart 3**).

Global Trends

Inflation concerns remained elevated in advanced economies during the week ending June 4. Headline inflation in the Euro Area increased to 3.2 percent in May from 3.0 percent in April, largely driven by higher energy prices. Core inflation rose to 2.5 percent from 2.2 percent during the period. However, Germany's inflation eased slightly to 2.6 percent in May from 2.9 percent in April. The U.S. weekly initial jobless claims rose to a four-month high remaining above market expectations, even though the labor market continued to show stability. The U.S. Dollar Index strengthened by 0.4 percent during the week.

International oil prices fell as investors responded to renewed optimism surrounding the ongoing U.S.-Iran peace negotiations. Murban crude oil price decreased to USD 87.38 per barrel on June 4, from USD 88.48 per barrel on May 28.

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*	Burundian Franc*
22-May-26	129.75	174.26	150.71	81.56	29.13	20.07	11.27	22.95
25-May-26	129.86	175.10	151.19	81.74	29.14	20.25	11.25	22.89
26-May-26	129.59	174.91	150.86	81.54	29.09	20.15	11.29	22.98
27-May-26	PUBLIC HOLIDAY							
28-May-26	129.52	174.43	150.60	81.32	29.12	20.22	11.29	22.99
May 22-28	129.68	174.68	150.84	81.54	29.12	20.17	11.28	22.95
29-May-26	129.55	174.07	150.76	81.31	29.17	20.18	11.29	22.92
01-Jun-26	PUBLIC HOLIDAY							
02-Jun-26	129.45	174.07	150.82	81.25	29.14	20.31	11.30	23.01
03-Jun-26	129.45	174.37	150.73	81.00	29.08	20.18	11.30	23.01
04-Jun-26	129.37	173.71	150.11	80.88	29.10	20.30	11.31	23.03
May 29-June 4	129.46	174.06	150.61	81.11	29.12	20.24	11.30	22.99

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 2: Foreign Exchange Reserves (USD Million)

	30-Apr-26	07-May-26	14-May-26	21-May-26	28-May-26	04-Jun-26
1. CBK Foreign Exchange Reserves (USD Million)	13,226	13,414	13,507	13,211	13,209	13,201
2. CBK Foreign Exchange Reserves (Months of Import Cover)*	5.6	5.7	5.7	5.6	5.6	5.6

*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)	KESONIA (%)*
22-May-26	22	15,680.00	8.75
25-May-26	22	22,620.00	8.75
26-May-26	33	25,081.00	8.75
27-May-26	PUBLIC HOLIDAY		
28-May-26	18	10,988.00	8.75
May 22-28	24	18,592	8.75
29-May-26	18	13,590.32	8.75
1-Jun-26	PUBLIC HOLIDAY		
2-Jun-26	20	14,950.00	8.75
3-Jun-26	18	7,350.00	8.75
4-Jun-26	10	7,000.00	8.75
May 29-June 4	17	10,723	8.75

* 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	16-Apr-26	23-Apr-26	30-Apr-26	21-May-26	28-May-26	04-Jun-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)	2,577.90	9,236.66	8,024.94	15,865.73	14,093.44	32,827.37
Amount Accepted (KSh M)	2,569.29	9,236.66	8,005.39	11,949.60	14,081.70	32,824.44
Maturities (KSh M)	898.20	1,300.40	6,388.25	13,173.55	12,429.60	1,953.50
Average Interest Rate (%)	7.424	7.779	8.040	8.387	8.388	8.559
182-Day Treasury Bills						
Date of Auction	16-Apr-26	23-Apr-26	30-Apr-26	21-May-26	28-May-26	04-Jun-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)	7,666.68	858.68	3,258.48	8,389.79	1,049.48	6,526.18
Amount Accepted (KSh M)	7,661.88	858.68	3,258.48	8,389.79	1,049.48	6,526.18
Maturities (KSh M)	2,532.55	7,295.80	1,604.85	4,366.85	508.45	14,508.15
Average Interest Rate (%)	7.830	7.887	8.212	8.211	8.250	8.525
364-Day Treasury Bills						
Date of Auction	16-Apr-26	23-Apr-26	30-Apr-26	21-May-26	28-May-26	04-Jun-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)	3,751.35	3,683.75	7,192.07	5,789.69	1,494.84	15,226.31
Amount Accepted (KSh M)	3,742.46	3,683.75	7,179.77	5,778.40	1,490.29	15,197.79
Maturities (KSh M)	29,148.10	12,655.05	16,387.15	19,655.40	17,213.60	43,006.40
Average Interest Rate (%)	8.272	8.271	8.513	8.588	8.627	8.763

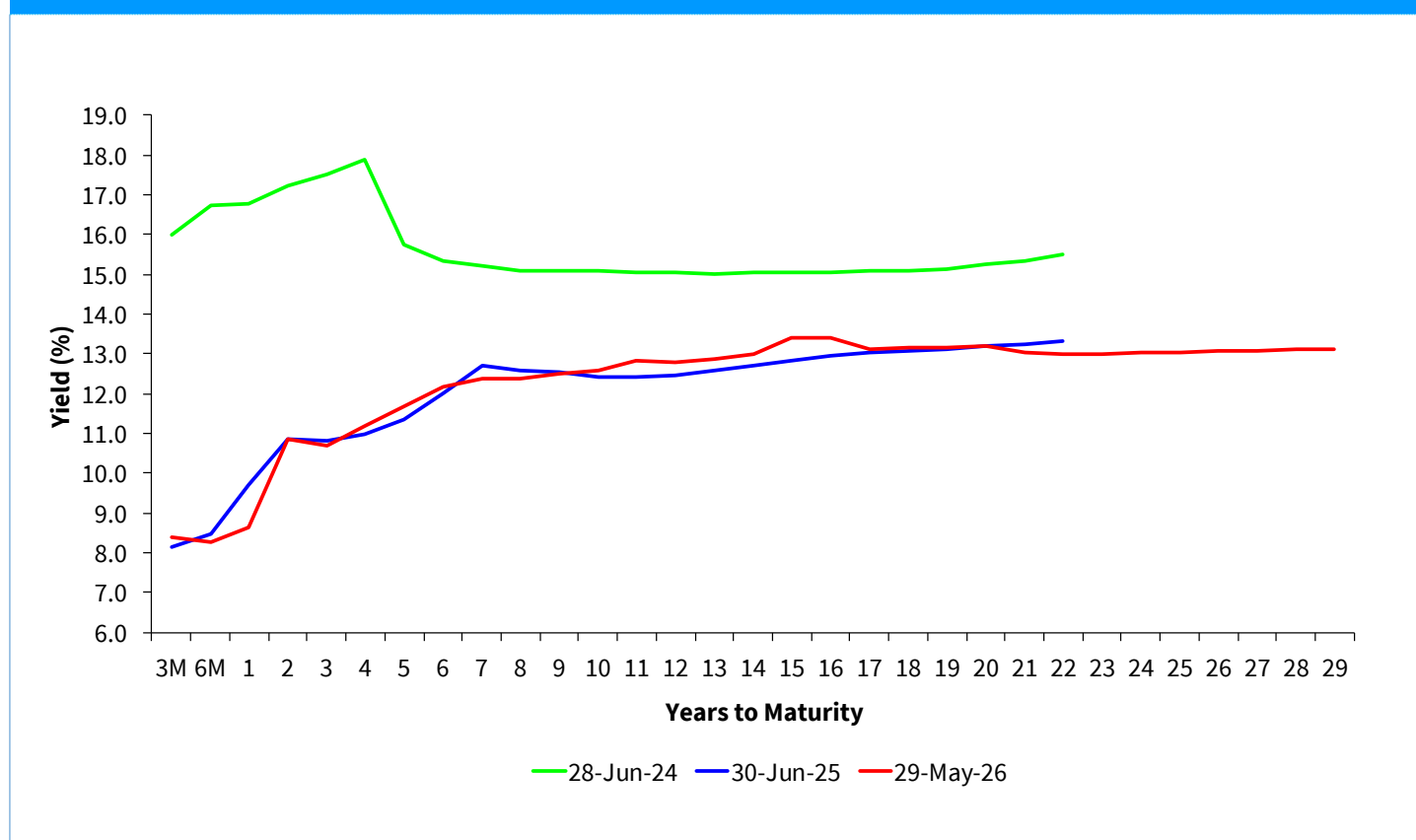
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	06-May-26			20-May-26	20-May-26		03-Jun-26	
	RE-OPEN			SWITCH	RE-OPEN		RE-OPEN	
Tenor	FXD1/ 2012/020	FXD1/ 2019/020	FXD1/ 2021/025	FXD1/ 2021/020-	FXD3/ 2019/015	FXD1/ 2021/020	FXD1/ 2020/015	FXD1/ 2018/025
Amount offered (KSh M)	80,000.00			10,000.00	50,000.00		40,000.00	
Bids received (KSh M)	47,947.93	17,573.92	40,496.64	7,613.58	20,641.95	26,518.32	20,156.86	14,232.33
Amount Accepted (KSh M)	47,529.93	14,539.36	31,974.52	4,525.96	14,425.32	22,168.78	20,155.45	14,222.62
Maturities (KSh M)	57,134.55				10,252.00			
Average interest Rate (%)	12.46	13.21	13.69	13.41	12.97	13.74	13.31	14.23

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

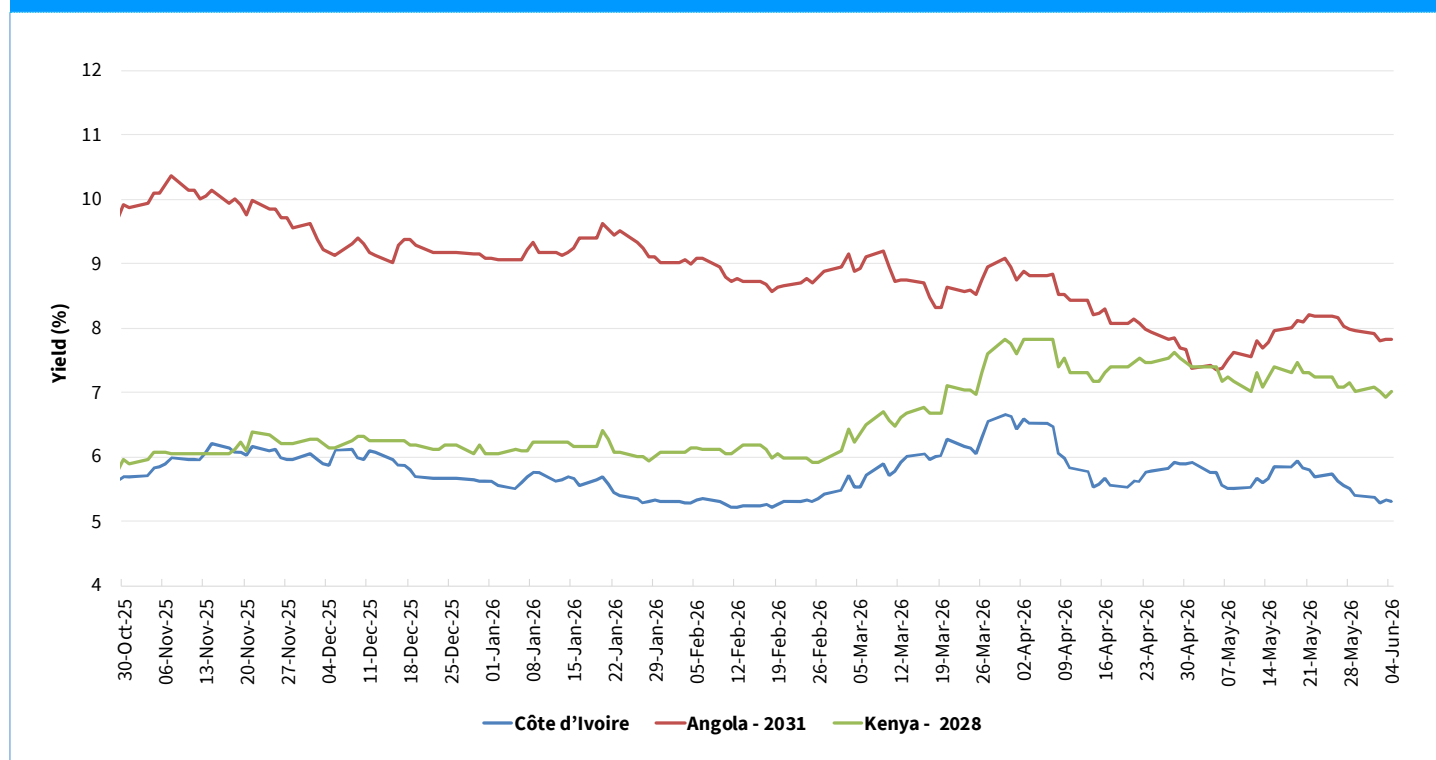
Table 6: Performance of Key Market Indicators

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 Capitalization (KSh Billion)	Bonds Turnover (KSh Million)	EuroBond Yields (%)				
									10-Year 2028	6-Year 2031	12-Year 2032	13-Year 2034	30-Year 2048
22-May-26	206.21	5,682.85	3,488.45	9,262	14.18	556.70	3,419.9	8477.70	7.24	7.84	8.22	8.71	9.21
25-May-26	205.28	2,143.14	3,467.79	11,961	14.70	469.35	3,404.6	9327.65	7.24	7.84	8.22	8.71	9.21
26-May-26	205.87	5,638.81	3,485.51	11,177	11.84	417.33	3,414.3	11574.10	7.09	7.69	8.06	8.53	9.11
27-May-26	PUBLIC HOLIDAY								7.09	7.38	7.75	8.25	8.93
28-May-26	205.73	5,645.63	3,491.16	11,231	26.42	890.60	3,412.0	7559.95	7.16	7.38	7.78	8.28	8.94
May 22-28	205.73	5,645.63	3,491.16	43,631	67	2,334	3,412.0	36,939	7.16	7.38	7.78	8.28	8.94
29-May-26	205.69	5,659.05	3,513.12	10,801.00	53.04	3,041.00	3,411.28	8,677.95	7.01	7.27	7.63	8.18	8.88
1-Jun-26	PUBLIC HOLIDAY								7.08	7.34	7.69	8.20	8.89
2-Jun-26	207.12	5,691.50	3,518.79	12,466.00	36.09	735.76	3,434.97	6,417.45	7.01	7.23	7.60	8.15	8.86
3-Jun-26	208.11	5,721.03	3,528.80	9,140.00	15.62	459.39	3,451.43	4,962.41	6.93	7.30	7.66	8.23	8.94
4-Jun-26	209.40	5,769.68	3,543.32	9,985	32	1,185	3,472.9	5,293	7.01	7.33	7.69	8.25	8.96
May 29-Jun 4	209.40	5,769.68	3,543.32	42,392	137	5,422	3,472.9	25,351	7.01	7.33	7.69	8.25	8.96
Weekly Changes (%)	1.78	2.20	1.49	-2.84	104.02	132.29	1.78	-31.37	-0.157*	-0.048*	-0.094*	-0.021*	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 7: Government Domestic Debt (KSh Billion)

	30-Jun-25	30-Sep-25	30-Nov-25	31-Dec-25	27-Feb-26	31-Mar-26	22-May-26	29-May-26
1. Treasury Bills (Excluding Repos)	1,036.87	1,081.71	1,050.19	1,074.45	1,154.60	1,192.39	1,116.98	1,106.91
<i>(As % of total securities)</i>	16.87	16.65	15.82	16.15	16.75	17.06	15.88	15.70
2. Treasury Bonds	5,110.01	5,415.65	5,587.54	5,578.98	5,738.93	5,798.22	5,917.05	5,944.45
<i>(As % of total securities)</i>	83.13	83.35	84.18	83.85	83.25	82.94	84.12	84.30
3. Total Securities (1+2)	6,146.88	6,497.35	6,637.73	6,653.43	6,893.53	6,990.61	7,034.03	7,051.36
4. Overdraft at Central Bank	67.63	55.02	40.01	78.23	63.58	53.16	114.95	89.49
5. Other Domestic debt*	111.50	108.04	106.41	105.85	107.56	105.95	106.21	106.21
of which IMF funds on-lent to Government	80.56	78.93	78.38	78.38	78.39	78.67	78.93	78.93
6. Gross Domestic Debt (3+4+5)	6,326.01	6,660.42	6,784.15	6,837.51	7,064.68	7,149.72	7,255.19	7,247.06

* 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-25	30-Sep-25	30-Nov-25	31-Dec-25	27-Feb-26	31-Mar-26	22-May-26	29-May-26
Treasury bills (Excluding Repos)	16.39	16.24	15.48	15.71	16.34	16.68	15.40	15.27
Treasury bonds	80.78	81.31	82.36	81.59	81.23	81.10	81.56	82.03
Overdraft at Central Bank	1.07	0.83	0.59	1.14	0.90	0.74	1.58	1.23
Other domestic debt	1.76	1.62	1.57	1.55	1.52	1.48	1.46	1.47
of which IMF fund on lent to government	1.27	1.19	1.16	1.15	1.11	1.10	1.09	1.09
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)

Sector	31-Dec-25	27-Feb-26	31-Mar-26	24-Apr-26	22-May-26	29-May-26
Financial Corporations	78.9	79.3	79.9	79.9	79.9	79.9
<i>O/W Commercial Banks</i>	34.9	36.0	36.7	36.2	36.0	35.8
<i>Pension Funds</i>	14.7	14.1	14.0	14.2	14.2	14.3
<i>Insurance Companies</i>	13.5	13.6	13.6	13.7	13.9	13.9
General Government	7.4	7.0	7.0	7.0	7.0	7.1
Households	6.4	6.3	6.3	6.3	6.4	6.3
Non-Residents	4.7	4.7	4.4	4.3	4.2	4.2
Nonfinancial corporations	1.8	1.7	1.6	1.6	1.5	1.5
Non-Profit Institutions	0.8	0.9	0.9	1.0	1.0	1.0
Total	100.0	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 10: Public Debt

	Jun-24	Dec-24	Jun-25	Jul-25	Sep-25	Dec-25	Feb-26	Mar-26
Domestic debt (Ksh Bn)	5,410.28	5,868.77	6,326.01	6,386.24	6,660.42	6,837.51	7,064.68	7,149.72
Public & Publicly Guaranteed External debt (USD \$ Bn)	39.77	39.11	42.44	41.67	41.73	42.34	44.79	43.74
Public & Publicly Guaranteed External debt (Ksh Bn)	5,150.84	5,057.01	5,484.83	5,385.30	5,393.53	5,461.97	5,779.07	5,683.22
Public Debt (Ksh Bn)	10,561.12	10,925.78	11,810.84	11,771.54	12,053.95	12,299.48	12,843.75	12,832.94

* Provisional

Source: The National Treasury and Central Bank of Kenya