



Central Bank of Kenya

Weekly Bulletin

September 04, 2026



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Inflation

Headline inflation increased marginally to 6.6 percent in August 2026 from 6.5 percent in July 2026, largely driven by core inflation. Core inflation increased to 3.4 percent from 3.2 percent, mainly driven by increased prices of beef with bones and fresh packeted cow milk. Over the same period, non-core inflation moderated to 14.7 percent from 15.0 percent (**Chart 1**).

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending September 3, 2026. It exchanged at KSh 129.48 per U.S. dollar on September 3, compared to KSh 129.47 on August 27 (**Table 1**).

Foreign Exchange Reserves

The foreign exchange reserves remained adequate at USD 14,882 million (6.1 months of import cover) as of September 3. 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 September 3, 2026, and open market operations remained active. Commercial banks' excess reserves averaged KSh 21.3 billion above the 3.25 percent Cash Reserve Ratio (CRR) requirement. The Kenya Shilling Overnight Interbank Average (KESONIA) remained stable at 8.75 percent. During the week, the average number of interbank transactions decreased to 16 from 26 in the previous week, while the average value traded decreased to KSh 9.6 billion from KSh 19.1 billion in the previous week (**Table 3**).

Government Securities Market

The Treasury bill auction of September 3, received bids totalling KSh 56.3 billion against an advertised amount of KSh 28.0 billion, representing a performance of 200.9 percent. Interest rate on the 91-day and 182-day Treasury bill declined. However, interest rate on the 364-day Treasury bill increased marginally (**Table 4**).

During the Treasury bond auction of September 2, the re-opened 15-year and 30-year treasury bonds received bids totalling KSh 68.2 billion against an advertised amount of KSh 60.0 billion, representing a performance of 113.7 percent (**Table 5**).

Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices increased by 3.67 percent, 4.39 percent and 4.51 percent respectively, during the week ending September 03, 2026. Market capitalization, total shares traded and equity turnover also increased by 3.68 percent, 43.54 percent and 54.24 percent, respectively (**Table 6**).

Bond Market

Bond turnover in the domestic secondary market decreased by 47.80 percent during the week ending September 3, 2026 (**Table 6**). In the international market, yields on Kenya's Eurobonds increased by 3.33 percent basis points on average. Yields for Côte d'Ivoire increased while those for Angola also decreased (**Chart 3**).

Global Trends

Inflation risks have persisted and remain elevated in advanced economies. Euro area inflation rose to 3.3 percent in August 2026 from 2.9 percent in July, driven largely by energy prices, with inflation remaining elevated across the major euro area economies, including Spain (4.5 percent), Germany (2.9 percent), France (2.7 percent), and Italy (3.2 percent). The U.S. Dollar Index weakened by 0.25 percent during the week.

Murban crude oil prices rose to USD 86.01 per barrel on September 3, up from USD 81.78 per barrel on August 27, reflecting rising concerns about oil supply risks following renewed U.S.-Iran tensions, while spot gold prices declined to USD 4,474.06 per ounce from USD 4,601.00 per ounce in the previous week.



Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
21-Aug-26	129.47	176.48	151.20	81.53	28.74	20.43	11.35	23.10
24-Aug-26	129.45	176.51	151.22	81.49	28.74	20.47	11.35	23.10
25-Aug-26	129.47	176.61	151.07	81.35	28.80	20.46	11.35	23.10
26-Aug-26	129.45	176.46	150.98	81.40	28.85	20.43	11.37	23.06
27-Aug-26	129.47	175.95	150.91	81.26	28.88	20.39	11.38	23.07
August 21-27	129.46	176.40	151.08	81.41	28.80	20.44	11.36	23.09
28-Aug-26	129.46	175.83	150.75	81.21	29.00	20.44	11.35	23.06
31-Aug-26	129.45	175.40	150.35	81.04	29.12	20.43	11.36	23.11
01-Sep-26	129.45	175.31	150.11	80.99	29.23	20.43	11.36	23.11
02-Sep-26	129.48	175.22	150.08	80.87	29.15	20.38	11.36	23.11
03-Sep-26	129.48	174.83	150.20	81.55	29.19	20.46	11.36	23.11
August 28 - 3	129.46	175.32	150.30	81.13	29.14	20.43	11.36	23.10

*Units of currency per Kenya Shilling

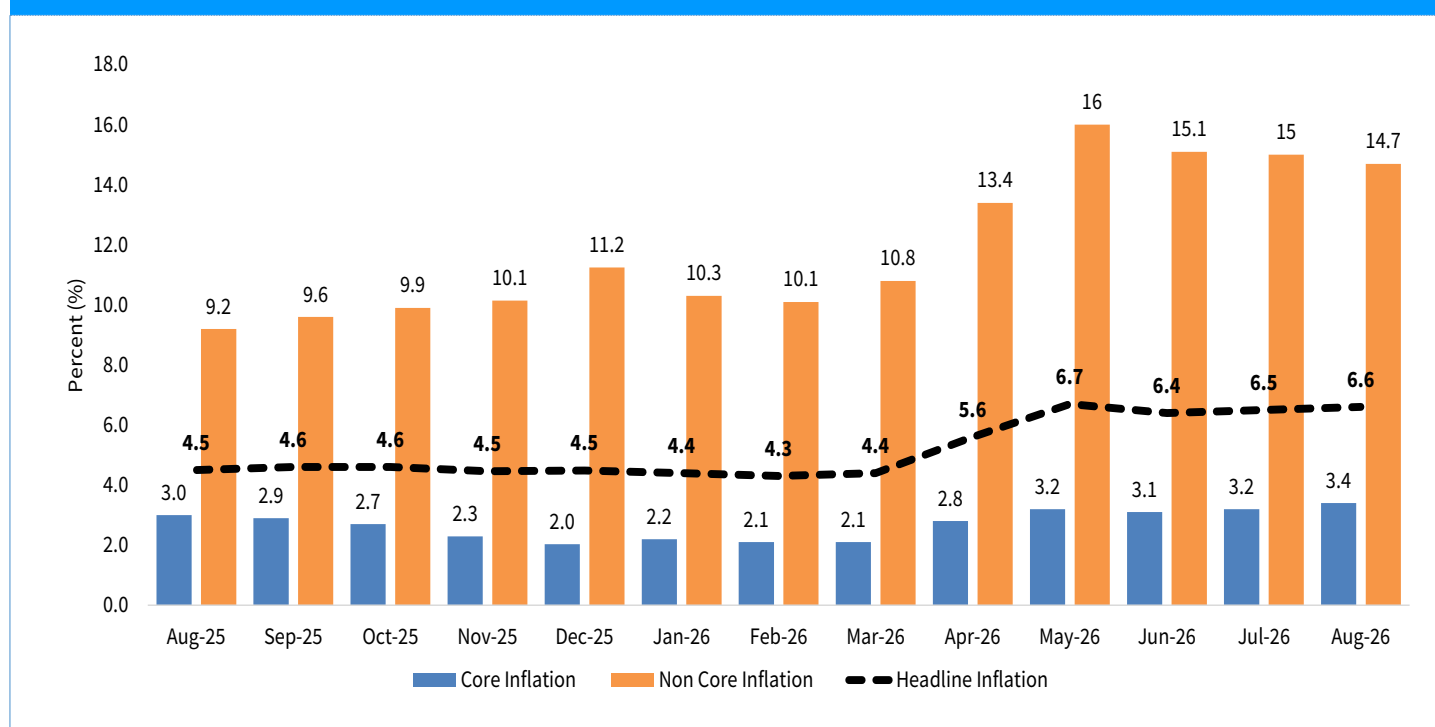
Source: Central Bank of Kenya

Table 2: Foreign Exchange Reserves (USD Million)

	06-Aug-26	13-Aug-26	20-Aug-26	27-Aug-26	03-Sep-26
1. CBK Foreign Exchange Reserves (USD Million)	15,248	15,245	15,155	14,934	14,882
2. CBK Foreign Exchange Reserves (Months of Import Cover)*	6.3	6.3	6.3	6.2	6.1

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

Source: Central Bank of Kenya

Chart 1: Inflation developments (Percent)

Source: Central Bank of Kenya

Table 3: Interbank Deals, Volumes and Interest Rates

Date	Number of Deals	Value (KSh M)	KESONIA (%)*
21-Aug-26	27	13,890	8.75
24-Aug-26	28	26,640	8.75
25-Aug-26	33	21,600	8.75
26-Aug-26	18	12,650	8.75
27-Aug-26	26	20,950	8.75
Aug 21-27	26	19,146	8.75
28-Aug-26	27	15,750	8.75
31-Aug-26	10	10,300	8.75
1-Sep-26	12	7,650	8.75
2-Sep-26	18	7,900	8.75
3-Sep-26	15	6,450	8.75
Aug 28-Sep 3	16	9,610	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	26-Feb-26	26-Mar-26	30-Apr-26	28-May-26	25-Jun-26	30-Jul-26	27-Aug-26	03-Sep-26
Amount Offered (KSh M)	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	8,000.00	8,000.00	8,000.00
Bids Received (KSh M)	12,341.17	2,595.61	8,024.94	14,093.44	23,013.48	14,403.22	23,697.72	34,245.63
Amount Accepted (KSh M)	12,270.21	2,574.10	8,005.39	14,081.70	14,187.31	14,330.17	23,108.63	29,205.96
Maturities (KSh M)	18,219.25	2,397.85	6,388.25	12,429.60	2,522.70	8,086.30	14,294.95	31,428.80
Average Interest Rate (%)	7.580	7.426	8.040	8.388	8.828	8.788	8.769	8.769
182-Day Treasury Bills								
Date of Auction	26-Feb-26	26-Mar-26	30-Apr-26	28-May-26	25-Jun-26	30-Jul-26	27-Aug-26	03-Sep-26
Amount Offered (KSh M)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Bids Received (KSh M)	791.31	2,831.08	3,258.48	1,049.48	2,268.16	8,171.64	26,876.20	19,767.82
Amount Accepted (KSh M)	788.44	2,831.08	3,258.48	1,049.48	833.16	8,171.64	15,053.79	19,585.94
Maturities (KSh M)	1,822.45	1,943.60	1,604.85	508.45	721.50	2,303.15	807.80	15,714.05
Average Interest Rate (%)	7.800	7.829	8.212	8.250	8.844	8.955	8.940	8.933
364-Day Treasury Bills								
Date of Auction	26-Feb-26	26-Mar-26	30-Apr-26	28-May-26	25-Jun-26	30-Jul-26	27-Aug-26	03-Sep-26
Amount Offered (KSh M)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Bids Received (KSh M)	45,396.34	5,490.41	7,192.07	1,494.84	2,776.87	4,792.57	6,161.29	2,238.32
Amount Accepted (KSh M)	28,755.11	5,451.75	7,179.77	1,490.29	2,405.42	4,784.06	6,159.48	2,231.48
Maturities (KSh M)	12,877.70	11,106.40	16,387.15	17,213.60	12,917.85	13,090.65	11,190.65	10,385.65
Average Interest Rate (%)	8.789	8.282	8.513	8.627	8.993	9.017	9.032	9.074

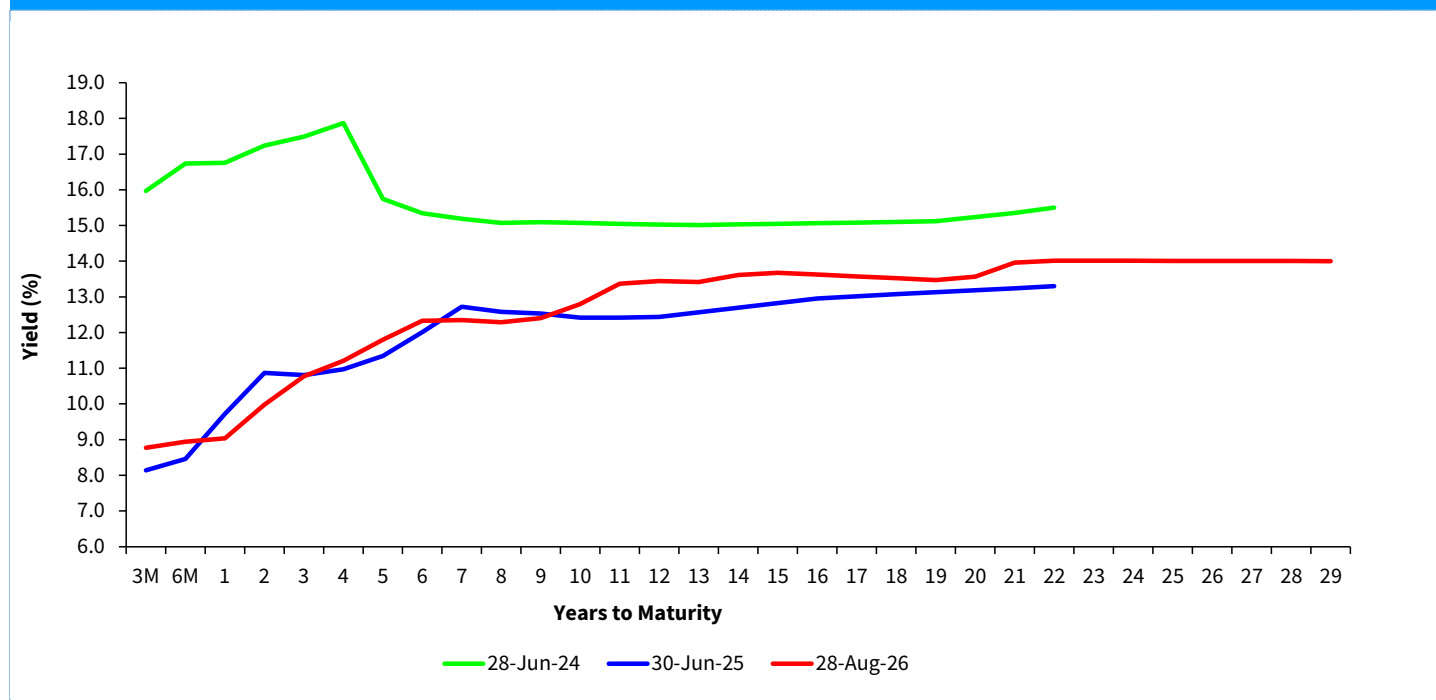
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	13-Jul-26	12-Aug-26			24-Aug-26	02-Sep-26	
	SWITCH	RE-OPEN			SWITCH	RE-OPEN	
Tenor	FXD1/ 2012/020	IFB1/ 2019/016	IFB1/ 2021/018	IFB1/ 2021/021	FXD4/ 2019/010	FXD3/ 2019/015	SDB1/ 2011/030
Amount offered (KSh M)	10,000.00	150,000.00			15,000.00	60,000.00	
Bids received (KSh M)	8,159.65	166,215.87	154,902.51	139,279.13	22,582.52	57,101.40	11,093.49
Amount Accepted (KSh M)	7,954.71	112,636.78	105,537.34	93,853.22	22,510.93	41,139.13	6,609.37
Maturities (KSh M)		118137.00					
Average interest Rate (%)	12.81	12.20	12.69	13.05	11.24	12.76	13.69

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

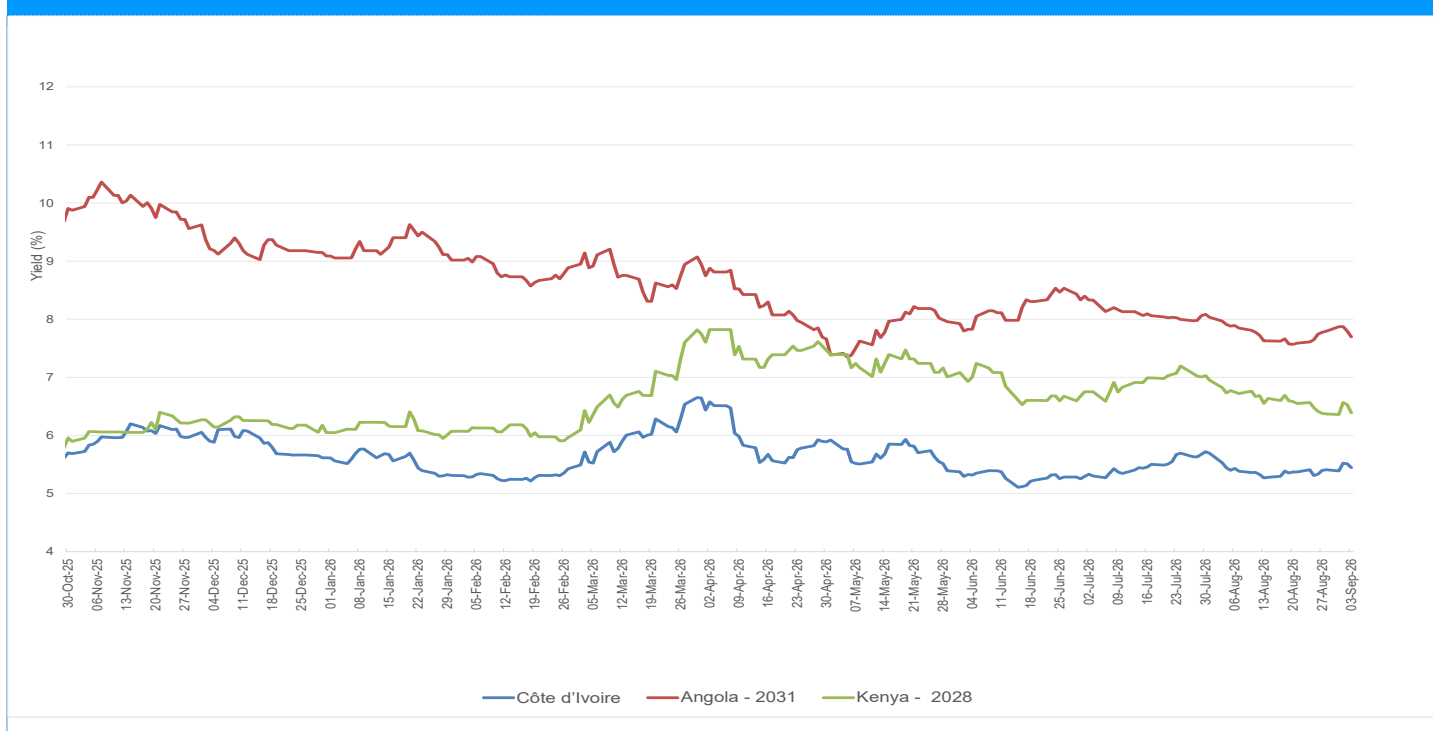
Table 6: Performance of Key Market Indicators

INDICATOR	NASI 100=2008	NSE 25 Share Index	NSE 20 Share Index 100=1996	Total Deals (Equity)	Total Shares Traded (Mil- lion)	Equity Turn- over (KSh Million)	Market Capital- ization (KSh Billion)	Bonds Turnover (KSh Million)	EuroBond Yields (%)							
									10- Year 2028	6-Year 2031	12- Year 2032	13- Year 2034	11-Year 2036	12-year 2038	12-year 2039	30-Year 2048
21-Aug-26	246.29	6,881.57	4,288.55	70,784.00	152.93	5,764.45	4,133.19	105,373.60	6.381	7.218	7.413	7.986	8.617	8.876	8.943	8.935
24-Aug-26	248.38	6,912.89	4,309.45	14,324.00	51.82	1847.33	4,168.27	17617.30	6.3691	7.2311	7.4308	7.9959	8.6306	8.8875	8.955	8.9533
25-Aug-26	251.33	6,960.48	4,325.62	16,027.00	38.67	1340.31	4,217.91	7655.50	6.3609	7.2583	7.5119	8.0254	8.6689	8.9176	8.9726	8.9854
26-Aug-26	252.71	7,006.62	4,361.69	16,475.00	34.55	1075.44	4,241.08	13062.35	6.5689	7.3521	7.5577	8.135	8.7793	9.0181	9.0721	9.0779
27-Aug-26	254.60	7,098.28	4,405.85	18,548.00	54.05	2504.89	4,272.78	10941.10	6.5304	7.3167	7.4821	8.1285	8.7373	9.0147	9.0909	9.0616
Aug 21 -27, 2026	255.34	7,183.58	4,482.15	20,470.00	40.43	2123.33	4,285.17	5728.20	6.3917	7.2245	7.4312	8.0245	8.6583	8.9231	8.9808	9.0025
28-Aug-26	255.34	7,183.58	4,482.15	85,844.00	219.52	8,891.30	4,285.17	55004.45	6.392	7.225	7.431	8.025	8.658	8.923	8.981	9.003
31-Aug-26	251.33	6,960.48	4,325.62	16,027.00	38.67	1340.31	4,217.91	7655.50	6.3609	7.2583	7.5119	8.0254	8.6689	8.9176	8.9726	8.9854
1-Sep-26	252.71	7,006.62	4,361.69	16,475.00	34.55	1075.44	4,241.08	13062.35	6.5689	7.3521	7.5577	8.135	8.7793	9.0181	9.0721	9.0779
2-Sep-26	254.60	7,098.28	4,405.85	18,548.00	54.05	2504.89	4,272.78	10941.10	6.5304	7.3167	7.4821	8.1285	8.7373	9.0147	9.0909	9.0616
3-Sep-26	255.34	7,183.58	4,482.15	20,470.00	40.43	2123.33	4,285.17	5728.20	6.3917	7.2245	7.4312	8.0245	8.6583	8.9231	8.9808	9.0025
Aug 28-Sept 3, 2026	255.34	7,183.58	4,482.15	85,844.00	219.52	8,891.30	4,285.17	55004.45	6.392	7.225	7.431	8.025	8.658	8.923	8.981	9.003
Weekly Changes (%)	3.67	4.39	4.51	21.28	43.54	54.24	3.68	-47.80	0.010*	0.006*	0.018*	0.039*	0.041*	0.047*	0.038*	0.067*

* 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-Sep-25	31-Dec-25	31-Mar-26	29-May-26	30-Jun-26	31-Jul-26	21-Aug-26	28-Aug-26
1. Treasury Bills (Excluding Repos)	1,081.71	1,074.45	1,192.39	1,106.91	1,118.15	1,143.64	1,167.36	1,182.98
<i>(As % of total securities)</i>	16.65	16.15	17.06	15.70	15.66	15.66	15.52	15.67
2. Treasury Bonds	5,415.65	5,578.98	5,798.22	5,944.45	6,021.15	6,157.18	6,353.79	6,365.63
<i>(As % of total securities)</i>	83.35	83.85	82.94	84.30	84.34	84.34	84.48	84.33
3. Total Securities (1+2)	6,497.35	6,653.43	6,990.61	7,051.36	7,139.31	7,300.82	7,521.15	7,548.61
4. Overdraft at Central Bank	55.02	78.23	53.16	89.49	90.99	70.32	51.05	25.44
5. Other Domestic debt*	108.04	105.85	105.95	98.22	96.90	91.96	92.01	92.02
of which IMF funds on-lent to Government	78.93	78.38	78.67	79.04	78.32	73.94	73.94	73.94
6. Gross Domestic Debt (3+4+5)	6,660.42	6,837.51	7,149.72	7,239.08	7,327.20	7,463.10	7,664.21	7,666.07

* 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-Sep-25	31-Dec-25	31-Mar-26	29-May-26	30-Jun-26	31-Jul-26	21-Aug-26	28-Aug-26
Treasury bills (Excluding Repos)	16.24	15.71	16.68	15.29	15.26	15.32	15.23	15.43
Treasury bonds	81.31	81.59	81.10	82.12	82.18	82.50	82.90	83.04
Overdraft at Central Bank	0.83	1.14	0.74	1.24	1.24	0.94	0.67	0.33
Other domestic debt	1.62	1.55	1.48	1.36	1.32	1.23	1.20	1.20
of which IMF fund on lent to government	1.19	1.15	1.10	1.09	1.07	0.99	0.96	0.96
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 Securities by Sector (Percent)

	31-Jul-25	31-Dec-25	31-Mar-26	29-May-26	26-Jun-26	31-Jul-26	21-Aug-26	28-Aug-26
Financial Corporations	78.8	78.9	79.9	79.9	79.9	80.0	80.1	80.0
<i>O/W Commercial Banks</i>	35.6	34.9	36.7	35.8	35.7	35.4	34.9	34.6
<i>Pension Funds</i>	14.5	14.7	14.0	14.3	14.3	14.5	14.2	14.0
<i>Insurance Companies</i>	13.1	13.5	13.6	13.9	14.1	14.1	13.8	13.8
General Government	7.5	7.4	7.0	7.1	7.1	7.1	6.9	6.8
Households	6.4	6.4	6.3	6.3	6.3	6.2	6.2	6.2
Non-Residents	4.5	4.7	4.4	4.2	4.2	4.2	4.4	4.5
Nonfinancial corporations	2.0	1.8	1.6	1.5	1.5	1.5	1.5	1.5
Non-Profit Institutions	0.9	0.8	0.9	1.0	1.0	1.0	0.9	0.9
Total	100	100.0	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	Dec-25	Mar-26	Apr-26	May-26	June-26*
Domestic debt (Ksh Bn)	5,410.28	5,868.77	6,326.01	6,837.51	7,149.72	7,185.77	7,239.08	7,327.20
Public & Publicly Guaranteed External debt (USD \$ Bn)	39.77	39.11	42.44	42.34	43.74	43.89	43.67	43.90
Public & Publicly Guaranteed External debt (Ksh Bn)	5,150.84	5,057.01	5,484.83	5,461.97	5,683.22	5,670.63	5,657.30	5,684.69
Public Debt (Ksh Bn)	10,561.12	10,925.78	11,810.84	12,299.48	12,832.94	12,856.40	12,896.38	13,011.89

* Provisional

Source: The National Treasury and Central Bank of Kenya