



Central Bank of Kenya

Weekly Bulletin

August 15, 2025



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Monetary Policy Decisions

The Monetary Policy Committee (MPC) lowered the Central Bank Rate (CBR) by 25 basis points to 9.50 percent from 9.75 percent, during its meeting held on August 12, 2025. The Committee noted that overall inflation was expected to remain below the midpoint of the 5 ± 2.5 percent target range in the near term, and growth in commercial banks' lending to the private sector continued to improve in line with declining lending rates albeit at slow pace. The central banks in the major economies have also continued to lower interest rates, but at a more cautious and uneven pace depending on inflation and growth outlooks. The Committee therefore noted that there was scope for further easing of the monetary policy to augment the previous policy actions aimed at stimulating lending by banks to the private sector and supporting economic activity, while ensuring inflationary expectations remain firmly anchored, and the exchange rate remains stable.

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending August 14, 2025. It exchanged at KSh 129.24 per U.S. dollar on August 14 (**Table 1**).

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 11,112 million (4.9 months of import cover) as of August 14. This meets the CBK's statutory requirement to endeavour to maintain at least 4 months of import cover (**Table 2**).

Remittance Inflows

Remittance inflows to Kenya totalled USD 410.1 million in July 2025 from USD 414.3 million in July 2024, a decrease of 1.0 percent (**Chart 1**). The 12 months cumulative inflows to July 2025 increased by 11.1 percent to USD 5,080 million compared to USD 4,572 million in a similar period in 2024. Remittance inflows remain a key source of foreign exchange earnings and continues to support the balance of payments.

Money Market

The money market remained liquid during the week ending August 14. Open market operations remained

active. Commercial banks' excess reserves stood at KSh 7.6 billion in relation to the 3.25 percent cash reserves requirement (CRR). The average interbank rate was at 9.48 percent on August 14 compared to 9.60 percent on August 7. During the week, the average number of interbank deals increased to 23 from 16 the previous week, similarly, the average value traded increased to KSh 10.2 billion from KSh 9.0 billion in the previous week (**Table 3**).

Government Securities Market

The Treasury bill auction of August 14 received bids totalling KSh 23.2 billion against an advertised amount of KSh 24.0 billion, representing a performance of 96.6 percent. Interest rate on the 91-day, 182-day and 364-day Treasury bills declined (**Table 4**).

During the Treasury bond auction of August 13, the reopened 15-year and 19-year infrastructure bonds received bids totalling KSh 323.4 billion against an advertised amount of KSh 90.0 billion, representing a performance of 359.4 percent (**Table 5**).

Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices increased by 2.11 percent, 2.90 percent and 4.52 percent, respectively, during the week ending August 14, 2025. Market capitalization also increased by 2.11 percent, while equity turnover and total shares traded decreased by 15.65 percent and 2.48 percent, respectively (**Table 6**).

Bond Market

Bond turnover in the domestic secondary market decreased by 21.50 percent during the week ending August 14 (**Table 6**). In the international market, yields on Kenya's Eurobonds decreased by 16.13 percent basis points on average. Yields for Angola increased while yields for Côte d'Ivoire decreased (**Chart 3**).

Global Trends

Inflation concerns persisted during the week ending August 14, 2025, as July data for the US showed headline inflation was 2.7 percent year-on-year, while core inflation increased to 3.1 percent driven primarily by rising costs for shelter, healthcare services, and airline fares, partially offset by lower gasoline prices. However, the US Dollar



Index remained steady at 98.02 on August 14, supported by ongoing expectations of a cautious Federal Reserve stance and relatively resilient US economic data.

International oil prices eased slightly during the week, with Murban crude at USD 66.97 per barrel on August 14, down from USD 68.25 on August 7. The decline reflected a combination of rising OPEC+ supply in September, 2025, easing geopolitical tensions, and market caution ahead of potential shifts in global demand amid trade policy uncertainties.

Chart 1: Monthly Remittance Inflows

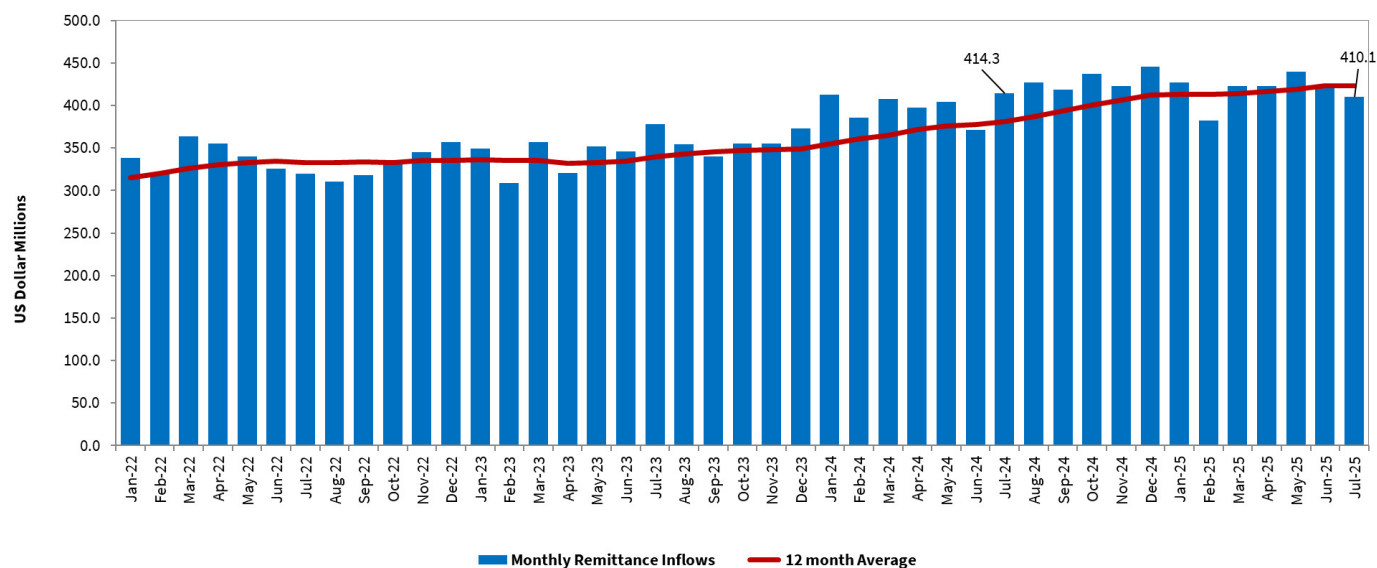


Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
1-Aug-25	129.24	170.58	147.65	85.85	27.74	19.89	11.18	23.07
4-Aug-25	129.24	171.61	149.62	87.47	27.70	19.69	11.11	23.07
5-Aug-25	129.24	171.66	149.34	87.84	27.69	19.54	11.18	23.07
6-Aug-25	129.23	171.94	149.62	87.62	27.66	19.11	11.19	23.07
7-Aug-25	129.24	172.80	150.88	87.76	27.62	19.13	11.19	23.07
Aug 01-07	129.24	171.72	149.42	87.31	27.68	19.47	11.17	23.07
8-Aug-25	129.24	173.57	150.48	87.71	27.61	19.23	11.15	23.07
11-Aug-25	129.24	174.05	150.83	87.62	27.61	19.23	11.19	23.07
12-Aug-25	129.24	173.62	150.23	87.13	27.57	19.46	11.20	23.07
13-Aug-25	129.24	175.45	151.26	88.23	27.52	20.16	11.20	23.07
14-Aug-25	129.24	174.49	150.94	87.33	27.55	19.54	11.20	23.07
Aug 8-14	129.24	174.24	150.75	87.60	27.57	19.52	11.19	23.07

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 2: Usable Foreign Exchange Reserves (USD Million)

	17-Jul-25	24-Jul-25	31-Jul-25	7-Aug-25	14-Aug-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	11,185	10,749	10,692	10,893	11,112
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.9	4.7	4.7	4.8	4.9

*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 (%)
1-Aug-25	19	17,185.00	9.60
4-Aug-25	9	8,400.00	9.60
5-Aug-25	12	6,650.00	9.59
6-Aug-25	18	3,450.00	9.62
7-Aug-25	23	9,070.00	9.60
Aug 1-7	16	8,951.00	9.60
8-Aug-25	34	10,830.00	9.62
11-Aug-25	12	6,085.00	9.60
12-Aug-25	24	12,350.00	9.64
13-Aug-25	26	10,680.00	9.52
14-Aug-25	20	11,150.00	9.48
Aug 8-14	23	10,219.00	9.57

Source: Central Bank of Kenya

Table 4: Performance of Treasury Bill Auctions

91-Day Treasury Bills						
Date of Auction	27-Dec-24	27-Mar-25	26-Jun-25	31-Jul-25	7-Aug-25	14-Aug-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	2,790.24	1,449.26	1,973.68	3,987.65	4,927.44
Amount Accepted (KSh M)	2,208.47	2,704.14	1,442.77	1,969.82	3,972.33	4,910.92
Maturities (KSh M)	3,443.00	2,191.25	2,682.00	2,171.90	10,420.50	8,142.25
Average Interest Rate (%)	9.895	8.791	8.139	8.111	8.080	8.011
182-Day Treasury Bills						
Date of Auction	27-Dec-24	27-Mar-25	26-Jun-25	31-Jul-25	7-Aug-25	14-Aug-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	1,706.31	1,200.39	2,141.04	7,411.17	7,456.56
Amount Accepted (KSh M)	435.30	1,701.35	1,198.53	2,102.68	7,411.17	7,456.56
Maturities (KSh M)	1,534.00	3,580.40	321.35	2,609.60	15,742.65	11,438.30
Average Interest Rate (%)	10.022	9.058	8.461	8.410	8.173	8.120
364-Day Treasury Bills						
Date of Auction	27-Dec-24	27-Mar-25	26-Jun-25	31-Jul-25	7-Aug-25	14-Aug-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	10,249.39	11,839.57	11,978.10	12,022.65	10,796.19
Amount Accepted (KSh M)	2,189.12	10,104.04	11,798.48	11,951.23	11,860.72	10,792.60
Maturities (KSh M)	1,918.60	8,813.10	2,094.10	1,049.65	8,095.05	4,764.90
Average Interest Rate (%)	11.410	10.412	9.722	9.718	9.713	9.582

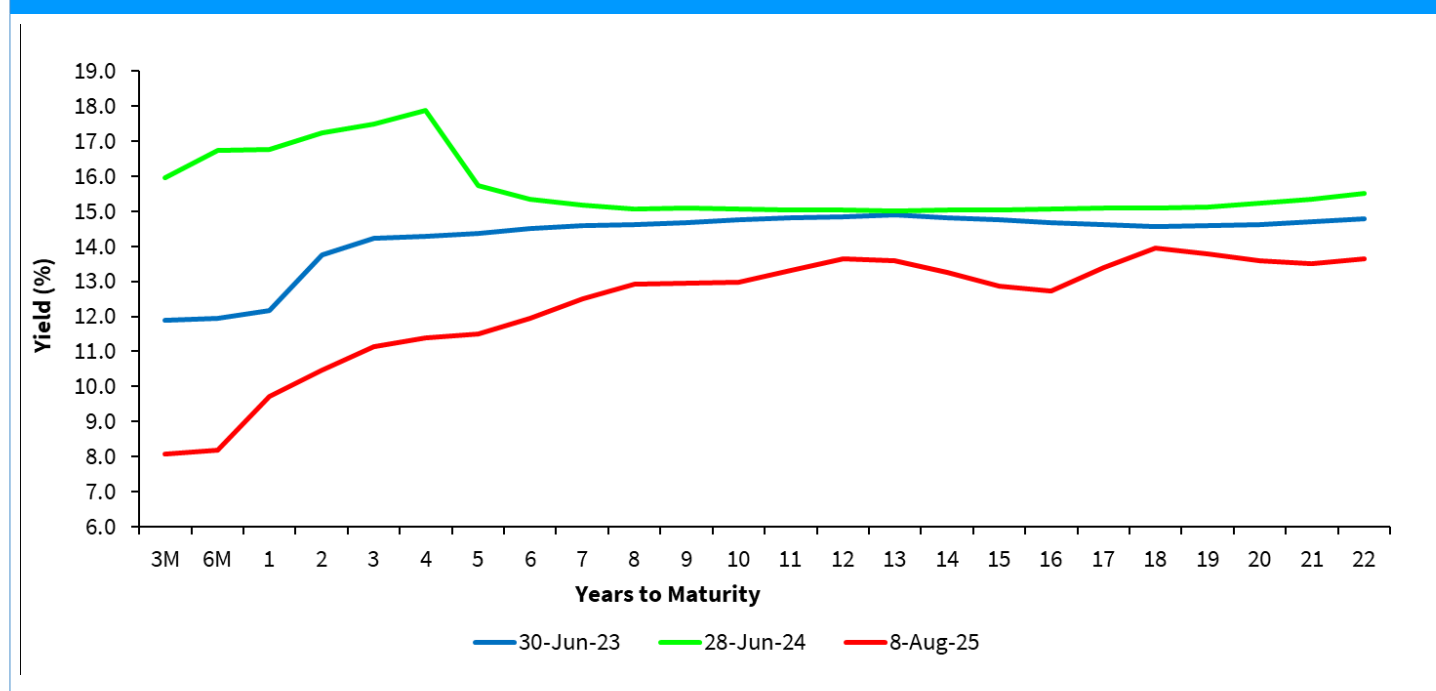
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	7-May-25	18-Jun-25		9-Jul-25		13-Aug-25	
	RE-OPEN	RE-OPEN		RE-OPEN		RE-OPEN	
Tenor	FXD1/ 2012/20	FXD1/ 2020/015	SDB1/ 2011/030	FXD1/ 2018/020	FXD1/ 2018/025	IFB1/ 2018/015	IFB1/ 2022/019
Amount offered (KSh M)	30,000.00	50,000.00		50,000.00		90,000.00	
Bids received (KSh M)	54,388.38	84,734.64	16,623.28	33,075.11	43,832.49	215,941.68	107,489.73
Amount Accepted (KSh M)	43,520.27	57,872.64	13,766.11	30,572.40	36,078.54	50,658.38	44,355.22
Maturities (KSh M)	14,230.89					94,638.05	
Average interest Rate (%)	13.65	13.49	14.00	13.90	14.35	12.99	14.00

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

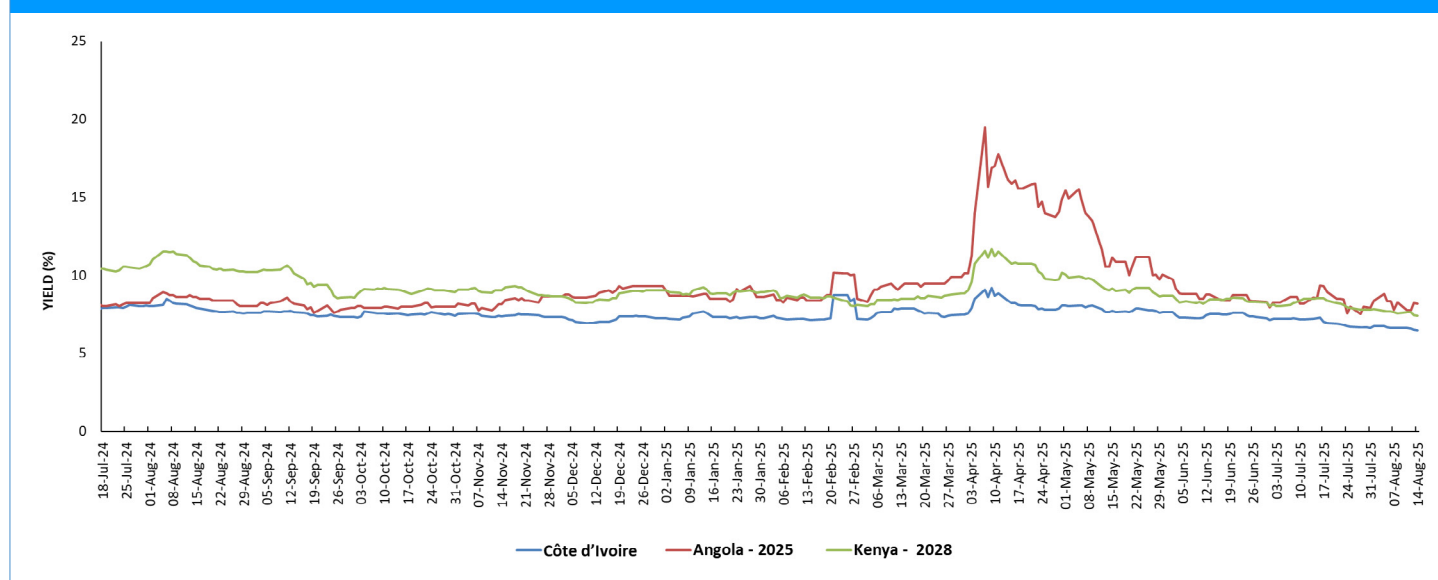
Table 6: Performance of Key Market Indicators

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
1-Aug-25	158.95	4106.83	2537.50	2,308	18.29	480.64	2,504.17	6,631.75	7.849	9.161	9.335	9.767	10.286
4-Aug-25	158.02	4091.45	2522.60	2,399	17.78	364.43	2,489.60	4,968.15	7.7394	9.0594	9.2179	9.689	10.2363
5-Aug-25	158.38	4097.37	2521.09	2,111	8.05	162.29	2,495.33	4,733.42	7.6849	8.9577	9.101	9.5602	10.1534
6-Aug-25	159.24	4122.17	2525.07	2,386	20.01	675.88	2,508.84	9,978.95	7.6855	8.9574	9.1014	9.561	10.1536
7-Aug-25	160.98	4159.04	2549.09	2,036	21.02	596.45	2,536.29	11,492.65	7.6319	8.9229	9.0441	9.5375	10.1375
Aug 1-7	160.98	4159.04	2549.09	11,240.00	85.16	2,279.69	2,536.29	37,804.92	7.632	8.923	9.044	9.538	10.138
8-Aug-25	161.19	4176.79	2569.28	2,725	8.08	215.86	2,539.50	8,045.95	7.5772	8.9227	9.0445	9.5383	10.1376
11-Aug-25	162.18	4201.88	2590.70	3,054	6.58	141.51	2,555.10	4,766.35	7.6329	8.9224	9.1034	9.5908	10.1708
12-Aug-25	162.22	4209.58	2607.39	3,060	14.51	369.30	2,555.70	6,761.30	7.6335	8.9221	9.0745	9.5917	10.1544
13-Aug-25	162.96	4235.84	2629.39	3,043	24.09	448.26	2,567.40	6,550.05	7.4681	8.7533	8.9873	9.4379	10.0562
14-Aug-25	164.38	4279.56	2664.29	3,479	29.77	748.09	2,589.70	3,555.00	7.4139	8.6845	8.9301	9.4146	10.0242
Aug 8-14	164.38	4279.56	2664.29	15,361.00	83.04	1,923.02	2,589.72	29,678.65	7.414	8.685	8.930	9.415	10.024
Weekly Changes (%)	2.11	2.90	4.52	36.66	-2.48	-15.65	2.11	-21.50	-0.218*	-0.2384*	-0.114*	-0.123*	-0.113*

* 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)

	28-Jun-24	31-Dec-24	28-Mar-25	30-Apr-25	27-Jun-25	25-Jul-25	1-Aug-25	8-Aug-25
1. Treasury Bills (Excluding Repos)	615.89	846.10	915.44	946.92	1,026.42	1,047.19	1,051.44	1,063.42
<i>(As % of total securities)</i>	11.75	14.77	15.41	15.87	16.73	16.82	16.87	17.03
2. Treasury Bonds	4,627.12	4,884.05	5,025.43	5,020.02	5,110.01	5,180.21	5,180.21	5,180.21
<i>(As % of total securities)</i>	88.25	85.23	84.59	84.13	83.27	83.18	83.13	82.97
3. Total Securities (1+2)	5,243.01	5,730.15	5,940.87	5,966.93	6,136.43	6,227.40	6,231.66	6,243.63
4. Overdraft at Central Bank	61.02	37.48	86.51	84.93	83.31	46.70	47.13	26.11
5. Other Domestic debt*	106.25	101.15	99.32	112.24	111.48	112.00	112.01	108.46
of which IMF funds on-lent to Government	83.54	80.29	78.71	80.56	80.56	81.46	81.46	78.47
6. Gross Domestic Debt (3+4+5)	5,410.28	5,868.77	6,126.70	6,164.10	6,331.21	6,386.10	6,390.80	6,378.20

* 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-Mar-25	27-Jun-25	25-Jul-25	1-Aug-25	8-Aug-25
Treasury bills (Excluding Repos)	12.72	11.38	14.42	14.94	16.21	16.40	16.45	16.67
Treasury bonds	83.07	85.52	83.22	82.03	80.71	81.12	81.06	81.22
Overdraft at Central Bank	1.58	1.13	0.64	1.41	1.32	0.73	0.74	0.41
Other domestic debt	2.63	1.96	1.72	1.62	1.76	1.75	1.75	1.70
of which IMF fund on lent to government	1.98	1.54	1.37	1.28	1.27	1.28	1.27	1.23
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-Mar-25	27-Jun-25	25-Jul-25	1-Aug-25	8-Aug-25
Banking Institutions	46.17	45.12	45.05	45.41	45.30	44.89	44.94	44.80
Insurance Companies	7.31	7.23	7.32	7.13	7.17	7.31	7.30	7.32
Parastatals	5.98	5.13	5.60	6.07	5.97	5.89	5.88	5.88
Pension funds	33.42	29.60	28.88	28.28	28.71	29.00	28.98	29.07
Other investors	7.13	12.92	13.16	13.11	12.86	12.90	12.89	12.93
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

	Jun-23	Sep-23	Dec-23	Jun-24	Dec-24	Mar-25	Apr-25	May-25*
Domestic debt (Ksh Bn)	4,832.11	4,917.47	5,050.11	5,410.28	5,868.77	6,126.70	6,164.10	6,203.54
Public & Publicly Guaranteed External debt (USD \$ Bn)	38.76	38.27	38.92	39.77	39.11	40.51	41.19	41.07
Public & Publicly Guaranteed External debt (Ksh Bn)	5,446.56	5,667.80	6,089.58	5,150.84	5,057.01	5,238.30	5,327.88	5,308.18
Public Debt (Ksh Bn)	10,278.67	10,585.27	11,139.69	10,561.12	10,925.78	11,364.99	11,491.98	11,511.72

* Provisional

Source: The National Treasury and Central Bank of Kenya