



Central Bank of Kenya

Weekly Statistical Bulletin

Key Monetary and Financial Indicators

March 16, 2018

Activity in the Interbank Market

The volumes traded in the interbank market increased to an average of KSh 16.8 billion during the week ending March 14, 2018, from KSh 13.5 billion the previous week, partly attributed to remittance of PAYE taxes. The number of deals in the interbank market remained relatively stable at an average of 32. The weighted average interbank rate eased to 4.32 percent from 4.72 percent in the previous week due to large banks that dominated the market borrowing at low rates (**Table 1**).

Kenya Shilling Exchange Rate

The Kenya Shilling exchange rate remained steady against major international currencies during the week ending March 15, 2018. The Shilling strengthened against the US Dollar, the Euro and the Japanese Yen, but weakened against the Sterling Pound. In the EAC region, the Kenya Shilling weakened against all the currencies (**Table 2**).

Equity Market

The equity market recorded gains in the week ending March 2018. The NASI, NSE 25 and the NSE share indices increased by 0.9 percent, 2.2 percent and 1.3 percent, respectively, while equity turnover increased by 0.5 percent. As a result, shareholder wealth as measured by market capitalization increased slightly by KSh 23.8 billion or 0.9 percent (**Table 3**).

Bond Market and Eurobond Yields

Turnover in the bond market increased by 57.0 percent in the week ending March 15, 2018, compared to the previous week, as investors increased fixed income investment in the secondary market.

The yields on Kenya's 5- year, 10-year and 30 year

Eurobonds, declined marginally during the week, signalling an increase in bond prices (**Table 3**).

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Table 1: Interbank Deals, Volumes and Interest Rates

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
1-Mar-18	32	12,325	4.82
2-Mar-18	28	14,185	4.70
5-Mar-18	32	16,465	4.57
6-Mar-18	34	13,911	4.54
7-Mar-18	30	10,422	4.97
March 1 - 7, 2018	31	13,462	4.72
8-Mar-18	45	23,345	4.47
9-Mar-18	38	19,240	4.48
12-Mar-18	28	15,730	4.49
13-Mar-18	25	12,585	4.11
14-Mar-18	22	13,250	4.04
March 8 - 14, 2018	32	16,830	4.32

Source: Central Bank of Kenya

Table 2: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	USHS*	TSHS*	RWF*	BIF*
2-Mar-18	101.29	139.23	123.31	94.73	35.99	22.24	8.53	17.38
5-Mar-18	101.32	139.63	124.73	96.12	35.97	22.31	8.53	17.37
6-Mar-18	101.33	139.92	124.77	95.84	36.04	22.24	8.39	17.48
7-Mar-18	101.31	140.89	125.69	95.49	36.00	22.32	8.40	17.49
8-Mar-18	101.29	140.45	125.77	95.66	36.12	22.25	8.53	17.38
March 2 - 8, 2018	101.31	140.02	124.85	95.57	36.02	22.27	8.48	17.42
9-Mar-18	101.20	140.45	125.45	95.58	36.15	22.27	8.54	17.39
12-Mar-18	101.15	139.94	124.36	94.64	36.16	22.29	8.55	17.40
13-Mar-18	101.29	140.67	124.79	95.09	36.04	22.32	8.53	17.38
14-Mar-18	101.27	141.42	124.63	94.72	36.13	22.27	8.40	17.50
15-Mar-18	101.26	140.68	124.87	94.85	36.13	22.27	8.41	17.50
March 9 - 15, 2018	101.23	140.63	124.82	94.98	36.12	22.28	8.49	17.43

* Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 3: Key Market Indicators

INDICATOR	NASI 100=2008	NSE 25 Share Index	NSE 20 Share Index 100=1996	Number of Deals (Shares)	Total Shares Traded (Million)	Equity Turnover (KSh Million)	Market Capitalization (KSh Billion)	Bonds Turnover (KSh Million)	5-Year Eurobond Yield (%)	10-Year Eurobond Yield (%)-2024	10-Year Eurobond Yield (%)-2028	30-Year Eurobond Yield (%)
02-Mar-18	181.26	4,587.62	3,755.95	1,281	31.32	722.21	2,670.30	1,550.89	3.879	6.375	7.196	8.151
05-Mar-18	180.91	4,589.05	3,726.74	1,316	45.44	953.41	2,665.12	1,283.27	3.973	6.376	7.164	8.124
06-Mar-18	181.02	4,593.02	3,735.95	1,405	19.41	838.05	2,666.67	1,520.32	3.871	6.310	7.087	8.041
07-Mar-18	182.16	4,626.91	3,740.96	1,530	26.06	916.76	2,683.55	1,894.54	3.965	6.340	7.157	8.061
08-Mar-18	181.27	4,614.33	3,719.86	1,519	29.15	992.67	2,670.48	2,780.31	3.953	6.366	7.178	8.115
2 Mar - 8 Mar, 2018	181.27	4,614.33	3,719.86	7,051	151.37	4,423.10	2,670.48	9,029.33	3.953	6.366	7.180	8.120
09-Mar-18	180.60	4,609.43	3,720.21	1,425	29.85	979.54	2,660.51	3,030.68	3.890	6.290	7.037	7.920
12-Mar-18	181.21	4,630.88	3,725.44	1,286	18.79	729.58	2,670.13	3,316.30	3.810	6.170	6.967	7.857
13-Mar-18	182.74	4,669.59	3,745.16	1,437	24.14	944.87	2,692.11	2,001.82	3.940	6.180	6.953	7.848
14-Mar-18	183.57	4,715.74	3,760.87	1,551	28.40	960.31	2,704.34	3,252.34	3.800	6.110	6.801	7.728
15-Mar-18	182.88	4,715.24	3,767.23	1,429	27.35	831.92	2,694.24	2,573.51	3.820	6.100	6.806	7.736
9 Mar-15 Mar, 2018	182.88	4,715.24	3,767.23	7,128	128.53	4,446.22	2,694.24	14,174.65	3.820	6.100	6.810	7.740

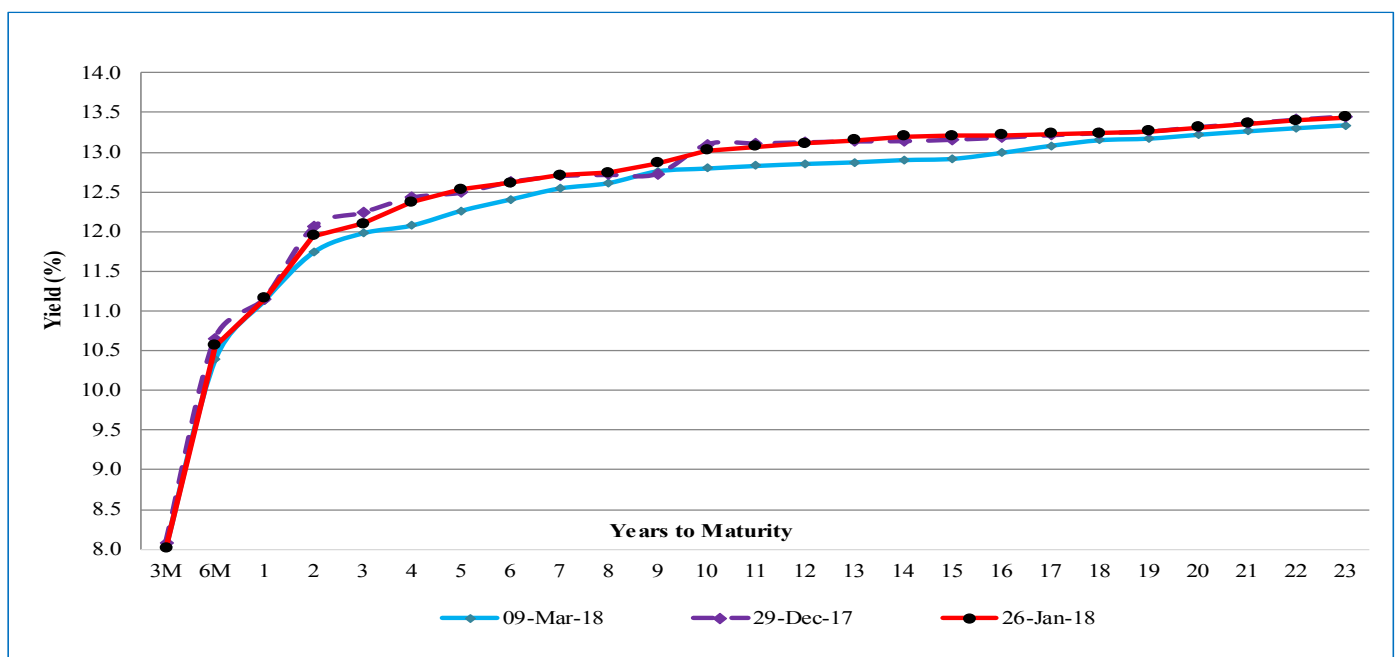
* Percentage points

Source: Central Bank of Kenya

Table 4: Performance of Treasury Bonds

Date of Auction	28-Dec-17		25-Jan-18	1-Feb-18	21-Feb-18		1-Mar-18	
Tenor	TAP FXD1/2008/15	TAP FXD1/2017/10	IFB 1/2018/15	IFB 1/2018/15	FXD1/2010/15	FXD2/2013/15	TAP FXD1/2010/15	TAP FXD2/2013/15
Amount offered (Ksh M)	20,000.0		40,000.0	35,000.0	40,000.0		27,000.0	
Bids received (Ksh M)	2,683.6	5,138.9	55,756.5	36,231.2	24,141.6		3,819.4	
Amount Accepted (Ksh M)	2,683.6	5,138.9	5,041.5	36,207.2	4,444.2	8,761.0	318.0	3,501.4
Maturities (Ksh M)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Average interest Rate (%)	13.087	13.087	12.505	12.505	12.676	12.906	12.676	12.906

Source: Central Bank of Kenya

Chart 1: Kenya Government Securities Yield Curve

Source: Central Bank of Kenya

Table 5: Performance of Government Securities

91-Day Treasury Bills								
Date of Auction	25-Jan-18	1-Feb-18	8-Feb-18	15-Feb-18	22-Feb-18	1-Mar-18	8-Mar-18	15-Mar-18
Amount offered (Ksh M)	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
Bids received (Ksh M)	3,984.00	5,721.37	2,096.56	4,673.73	4,966.78	7,690.98	3,844.72	2,550.23
Amount Accepted (Ksh M)	3,979.10	5,721.37	2,052.78	4,281.26	4,966.78	7,249.82	3,170.17	1,867.24
Maturities (Ksh M)	514.75	3,874.10	6,978.35	1,791.60	4,428.95	8,677.30	5,065.65	1,488.90
Average interest Rate (%)- 91 Days	8.004	8.005	8.045	8.050	8.032	8.029	8.026	8.023
182-Day Treasury Bills								
Date of Auction	25-Jan-18	1-Feb-18	8-Feb-18	15-Feb-18	22-Feb-18	1-Mar-18	8-Mar-18	15-Mar-18
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)	13,806.67	12,959.45	12,511.30	11,219.01	8,425.54	16,333.90	14,968.11	11,419.87
Amount Accepted (Ksh M)	11,419.50	10,845.65	12,511.30	11,216.78	8,425.54	13,882.04	11,556.17	8,458.46
Maturities (Ksh M)	4,584.45	4,762.65	9,917.50	19,301.50	6,255.45	13,160.00	21,834.70	9,720.05
Average interest Rate (%)- 182	10.564	10.438	10.424	10.403	10.395	10.393	10.385	10.401
364-Day Treasury Bills								
Date of Auction	25-Jan-18	1-Feb-18	8-Feb-18	15-Feb-18	22-Feb-18	1-Mar-18	8-Mar-18	15-Mar-18
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)	10,236.21	14,512.30	17,152.71	17,833.93	11,731.74	13,367.63	18,378.89	19,596.32
Amount Accepted (Ksh M)	10,236.21	11,487.10	17,107.76	11,955.19	10,813.27	9,485.24	17,929.53	18,607.04
Maturities (Ksh M)	1,485.00	6,707.80	6,655.50	10,498.60	1,175.25	3,112.05	17,862.85	18,326.25
Average interest Rate (%)- 364	11.159	11.156	11.159	11.154	11.131	11.135	11.128	11.128

Source :Central Bank of Kenya

Table 6: Government Domestic Debt (KSh Billion)

	24-Nov-17	29-Dec-17	26-Jan-18	16-Feb-18	23-Feb-18	02-Mar-18	09-Mar-18
1. Treasury Bills (Excluding Repos)	709.79	684.72	711.31	757.25	754.54	768.34	775.86
(As % of total securities)	33.49	31.91	32.93	33.74	33.80	33.99	34.15
2. Treasury Bonds	1,409.71	1,461.25	1,448.96	1,487.15	1,477.96	1,492.15	1,496.20
(As % of total securities)	66.51	68.09	67.07	66.26	66.20	66.01	65.85
3. Total Securities (1+2)	2,119.51	2,145.97	2,160.26	2,244.40	2,232.50	2,260.49	2,272.06
4. Overdraft at Central Bank	33.88	42.32	46.54	27.92	42.09	46.21	46.21
5. Other Domestic debt*	32.83	32.58	32.07	32.01	31.45	31.46	31.46
6. Gross Domestic Debt (3+4+5)	2,186.21	2,220.87	2,238.88	2,304.34	2,306.05	2,338.15	2,349.73

* Other domestic debt includes clearing items in transit, advances from commercial banks, Pre-1997 Government Overdraft and Tax Reserve Certificates.

Source :Central Bank of Kenya

Table 7: Composition of Government Domestic Debt by Instrument (In Percent)

	30-Jun-17	24-Nov-17	29-Dec-17	26-Jan-18	16-Feb-18	23-Feb-18	2-Mar-18	9-Mar-18
Treasury bills (Excluding Repos)	35.2	32.5	30.8	31.8	32.9	32.7	32.9	33.0
Treasury bonds	63.1	64.5	65.8	64.7	64.5	64.1	63.8	63.7
CBK Overdraft to Govt	0.0	1.5	1.9	2.1	1.2	1.8	2.0	2.0
Other domestic debt	1.7	1.5	1.5	1.4	1.4	1.4	1.3	1.3
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Central Bank of Kenya

Table 8: Composition of Government Domestic Debt by Holder (In Percent)

	24-Nov-17	29-Dec-17	26-Jan-18	16-Feb-18	23-Feb-18	2-Mar-18	9-Mar-18
Banking Institutions	54.7	54.6	54.9	55.0	55.3	55.4	55.4
Insurance Companies	6.3	6.4	6.4	6.3	6.3	6.3	6.3
Parastatals	7.0	6.9	6.9	6.8	6.7	6.8	6.8
Pension funds	27.6	27.5	27.5	27.5	27.2	27.1	27.1
Other investors	4.4	4.5	4.5	4.5	4.5	4.5	4.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Central Bank of Kenya

Table 9: Official Foreign Reserves US\$ Million (Usable)

	04-Jan-18	11-Jan-18	18-Jan-18	25-Jan-18	01-Feb-18	08-Feb-18	15-Feb-18	22-Feb-18	01-Mar-18	08-Mar-18	15-Mar-18
1. CBK Usable Foreign Exchange Reserves (USD Million)*	7,081	7,044	6,994	7,056	7,074	7,181	7,240	7,235	7,154	7,155	8,831
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.74	4.72	4.69	4.72	4.73	4.80	4.84	4.84	4.78	4.78	5.90

*Excludes Encumbered Reserves

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

Source: Central Bank of Kenya