



Central Bank of Kenya

Weekly Bulletin

August 1, 2025



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Inflation

Overall inflation increased to 4.1 percent from 3.8 percent in June 2025, driven by higher food and fuel prices. Core inflation increased to 3.1 percent in July from 3.0 percent in June, largely driven by higher prices of processed food items. Non-core inflation increased to 7.2 percent from 6.2 percent in June, mainly on account of higher energy prices (**Chart 1**).

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending July 31. It exchanged at KSh 129.24 per US dollar on July 31, compared to KSh 129.26 per US dollar on July 24 (**Table 1**).

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 10,692 million (4.7 months of import cover) as of July 31. This meets the 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 July 31. Open market operations remained active. Commercial banks' excess reserves stood at KSh 4.4 billion in relation to the 3.25 percent cash reserves requirement (CRR). The average interbank rate was 9.61 percent on July 31 compared to 9.62 percent on July 24. During the week, the average number of interbank deals remained stable at 17, while the average value traded decreased to KSh 10.8 billion from KSh 13.7 billion in the previous week (**Table 3**).

Government Securities Market

The Treasury bill auction of July 31 received bids totalling KSh 16.1 billion against an advertised amount of KSh 24.0 billion, representing a performance of 67.1 percent. Interest rate on the 91-day, 182-day and 364-day Treasury bills declined marginally (**Table 4**).

Equity Market

At the Nairobi Securities Exchange, the NASI decreased by 0.01 percent, while NSE 25 and NSE 20 share price indices increased by 0.99 percent and 1.46 percent, respectively, during the week ending July 31. Market capitalization and

equity turnover decreased by 0.01 percent, 13.95 percent, respectively, while total shares traded, increased by 17.52 percent (**Table 6**).

Bond Market

Bond turnover in the domestic secondary market increased by 29.43 percent during the week ending July 31 (**Table 6**). In the international market, yields on Kenya's Eurobonds decreased by 17.04 basis points on average. Yields for Angola increased while Côte d'Ivoire Eurobonds decreased (**Chart 3**).

Global Trends

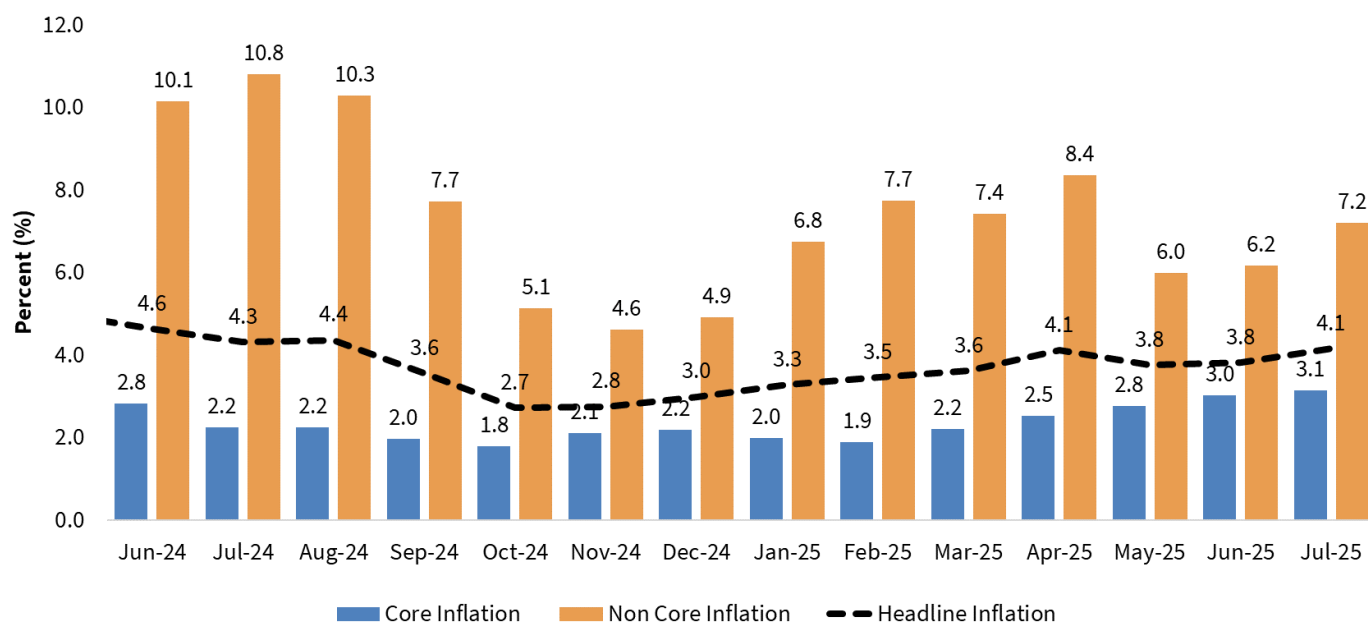
According to the IMF's July 2025 World Economic Outlook (WEO) Update, global growth for 2025 is projected at 3.0 percent, 0.2 percentage points higher than the forecast in the April 2025 WEO. The 2025 growth partly reflects lower average effective US tariff rates than announced in April and improvement in financial conditions. With the arrival of the August 1 deadline, the US administration imposed tariffs on a dozen of its trading partners, while formalizing agreements with others, including the European Union, the United Kingdom and Japan. The new tariff regime marks a softening of the April 2 tariffs but leaves the US effective tariff rates at the highest level in decades.

During the July 2025 meeting, the US Federal Reserve Bank retained the policy rate at 4.25 percent - 4.50 percent for the fifth straight month, since its December 2024 meeting, citing moderation in economic activity during the first half of 2025 and somewhat elevated inflation, even as unemployment rate remains low and labour market conditions robust. The US dollar index strengthened by 2.66 percent against a basket of major currencies during the week ending July 31.

International oil prices increased during the week ending July 31, mainly due to supply fears from US sanctions and tariff threats on countries buying Russian oil. Murban oil price increased to USD 73.52 per barrel on July 31 from 69.56 per barrel on July 24.



Chart 1: Developments in Inflation



Source: Nairobi Securities Exchange (NSE)

Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
18-Jul-25	129.24	173.37	150.08	86.86	27.72	20.16	11.15	23.06
21-Jul-25	129.25	173.44	150.31	87.11	27.72	20.16	11.19	23.06
22-Jul-25	129.24	174.16	151.07	87.55	27.73	20.04	11.15	23.06
23-Jul-25	129.25	174.85	151.66	87.91	27.78	20.12	11.16	23.06
24-Jul-25	129.26	175.55	152.25	88.52	27.77	20.15	11.16	23.06
Jul 18-24	129.25	174.27	151.08	87.59	27.75	20.12	11.16	23.06
25-Jul-25	129.26	175.13	152.09	88.16	27.76	19.88	11.16	23.06
28-Jul-25	129.25	173.74	151.64	87.58	27.74	20.04	11.18	23.06
29-Jul-25	129.25	172.56	149.73	87.20	27.74	19.88	11.17	23.06
30-Jul-25	129.24	172.53	149.32	87.37	27.74	19.89	11.17	23.07
31-Jul-25	129.24	170.58	147.65	85.85	27.74	19.89	11.18	23.07
Jul 25-31	129.25	172.91	150.09	87.23	27.74	19.91	11.17	23.06

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 2: Usable Foreign Exchange Reserves (USD Million)

	3-Jul-25	10-Jul-25	17-Jul-25	24-Jul-25	31-Jul-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	11,091	11,201	11,185	10,749	10,692
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.9	4.9	4.9	4.7	4.7

*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 (%)
18-Jul-25	22	14,650.00	9.64
21-Jul-25	16	10,346.00	9.64
22-Jul-25	15	12,350.00	9.61
23-Jul-25	19	14,210.00	9.61
24-Jul-25	14	16,700.00	9.62
Jul 18-24	17	13,651.20	9.63
25-Jul-25	16	11,550.00	9.61
28-Jul-25	18	12,784.00	9.62
29-Jul-25	20	13,010.00	9.63
30-Jul-25	17	8,120.00	9.61
31-Jul-25	12	8,400.00	9.61
Jul 25-31	17	10,772.80	9.62

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	29-May-25	26-Jun-25	24-Jul-25	31-Jul-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	19,200.95	1,449.26	16,233.31	1,973.68
Amount Accepted (KSh M)	2,208.47	2,704.14	19,196.07	1,442.77	16,197.91	1,969.82
Maturities (KSh M)	3,443.00	2,191.25	18,288.25	2,682.00	16,341.45	2,171.90
Average Interest Rate (%)	9.895	8.791	8.293	8.139	8.117	8.111
182-Day Treasury Bills						
Date of Auction	27-Dec-24	27-Mar-25	29-May-25	26-Jun-25	24-Jul-25	31-Jul-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	9,773.86	1,200.39	3,196.38	2,141.04
Amount Accepted (KSh M)	435.30	1,701.35	8,808.97	1,198.53	3,174.68	2,102.68
Maturities (KSh M)	1,534.00	3,580.40	4,359.35	321.35	3,908.15	2,609.60
Average Interest Rate (%)	10.022	9.058	8.564	8.461	8.419	8.410
364-Day Treasury Bills						
Date of Auction	27-Dec-24	27-Mar-25	29-May-25	26-Jun-25	24-Jul-25	31-Jul-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	26,134.08	11,839.57	20,587.96	11,978.10
Amount Accepted (KSh M)	2,189.12	10,104.04	15,688.45	11,798.48	6,143.89	11,951.23
Maturities (KSh M)	1,918.60	8,813.10	7,333.60	2,094.10	1,910.90	1,049.65
Average Interest Rate (%)	11.410	10.412	10.000	9.722	9.719	9.718

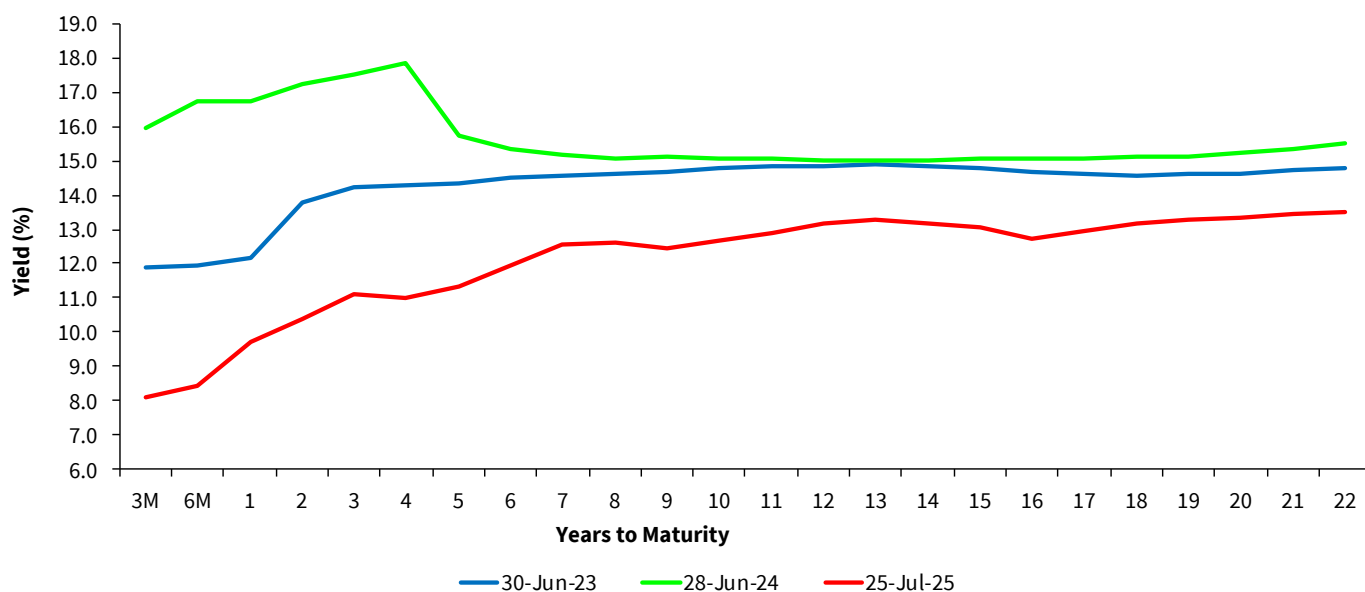
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	30-Apr-25		07-May-25	18-Jun-25		09-Jul-25	
	RE-OPEN		RE-OPEN	RE-OPEN		RE-OPEN	
Tenor	FXD1/ 2022/015	FXD1/ 2022/025	FXD1/ 2012/20	FXD1/ 2020/015	SDB1/ 2011/030	FXD1/ 2018/020	FXD1/ 2018/025
Amount offered (KSh M)	50,000.00		30,000.00	50,000.00		50,000.00	
Bids received (KSh M)	26,413.49	30,681.72	54,388.38	84,734.64	16,623.28	33,075.11	43,832.49
Amount Accepted (KSh M)	25,280.99	25,103.28	43,520.27	57,872.64	13,766.11	30,572.40	36,078.54
Maturities (KSh M)	69,619.55		14,230.89				
Average interest Rate (%)	13.91	14.54	13.65	13.49	14.00	13.90	14.35

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

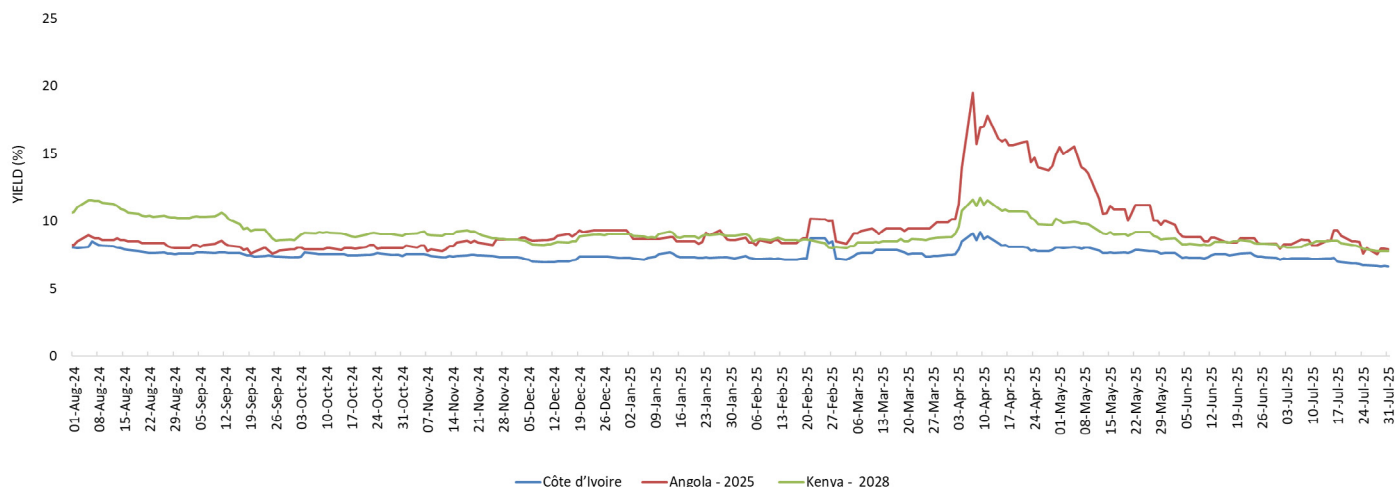
Table 6: Performance of Key Market Indicators

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
18-Jul-25	157.93	4038.52	2500.78	1,849.00	13.01	572.03	2,487.93	8,505.50	8.389	9.539	9.747	10.019	10.594
21-Jul-25	158.63	4056.82	2507.43	1,837.00	10.09	283.08	2,487.93	10,917.55	8.225	9.401	9.627	9.888	10.472
22-Jul-25	159.92	4070.99	2507.36	1,852.00	28.29	827.11	2,519.21	12,429.35	8.171	9.401	9.628	9.889	10.455
23-Jul-25	160.98	4106.07	2512.88	2,070.00	33.36	1,120.61	2,535.97	7,801.20	8.116	9.299	9.509	9.784	10.387
24-Jul-25	160.23	4094.94	2521.81	1,630.00	7.59	161.02	2,524.43	5,872.35	7.954	9.163	9.362	9.682	10.285
July 18-24	160.23	4094.94	2521.81	9,238.00	92.33	2,963.85	2,524.43	45,525.95	7.954	9.163	9.362	9.682	10.285
25-Jul-25	160.53	4104.79	2536.04	2,067.00	14.24	218.53	2,529.14	6,377.30	7.900	9.061	9.244	9.631	10.252
28-Jul-25	161.55	4130.57	2543.57	2,313.00	18.33	352.71	2,545.21	7,508.70	7.791	8.960	9.127	9.503	10.136
29-Jul-25	164.49	4204.21	2565.78	2,192.00	36.94	937.23	2,591.51	34,623.15	7.791	9.027	9.186	9.580	10.186
30-Jul-25	163.67	4199.94	2570.81	2,366.00	23.95	680.26	2,578.64	5,695.15	7.791	9.027	9.157	9.581	10.186
31-Jul-25	160.22	4135.28	2558.63	2,019.00	15.05	361.79	2,524.22	4,720.30	7.793	8.958	9.158	9.532	10.153
July 25-31	160.22	4135.28	2558.63	10,957.00	108.51	2,550.53	2,524.22	58,924.60	7.793	8.958	9.158	9.532	10.153
Weekly Changes (%)	-0.01	0.99	1.46	18.61	17.52	-13.95	-0.01	29.43	-0.161*	-0.205*	-0.204*	-0.150*	-0.132*

* 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	30-May-25	27-Jun-25	18-Jul-25	25-Jul-25
1. Treasury Bills (Excluding Repos)	615.89	846.10	915.44	946.92	963.02	1,026.42	1,032.24	1,047.19
<i>(As % of total securities)</i>	11.75	14.77	15.41	15.87	16.06	16.73	16.62	16.82
2. Treasury Bonds	4,627.12	4,884.05	5,025.43	5,020.02	5,034.07	5,110.01	5,180.21	5,180.21
<i>(As % of total securities)</i>	88.25	85.23	84.59	84.13	83.94	83.27	83.38	83.18
3. Total Securities (1+2)	5,243.01	5,730.15	5,940.87	5,966.93	5,997.09	6,136.43	6,212.46	6,227.40
4. Overdraft at Central Bank	61.02	37.48	86.51	84.93	94.97	83.31	81.94	46.70
5. Other Domestic debt*	106.25	101.15	99.32	112.24	111.48	111.48	111.48	112.00
of which IMF funds on-lent to Government	83.54	80.29	78.71	80.56	80.56	80.56	80.56	81.46
6. Gross Domestic Debt (3+4+5)	5,410.28	5,868.77	6,126.70	6,164.10	6,203.54	6,331.21	6,405.87	6,386.10

* 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	30-May-25	27-Jun-25	18-Jul-25	25-Jul-25
Treasury bills (Excluding Repos)	12.72	11.38	14.42	14.94	15.52	16.21	16.11	16.40
Treasury bonds	83.07	85.52	83.22	82.03	81.15	80.71	80.87	81.12
Overdraft at Central Bank	1.58	1.13	0.64	1.41	1.53	1.32	1.28	0.73
Other domestic debt	2.63	1.96	1.72	1.62	1.80	1.76	1.74	1.75
of which IMF fund on lent to government	1.98	1.54	1.37	1.28	1.30	1.27	1.26	1.28
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	30-May-25	27-Jun-25	18-Jul-25	25-Jul-25
Banking Institutions	46.17	45.12	45.05	45.41	45.20	45.30	45.14	44.89
Insurance Companies	7.31	7.23	7.32	7.13	7.23	7.17	7.27	7.31
Parastatals	5.98	5.13	5.60	6.07	5.86	5.97	5.85	5.89
Pension funds	33.42	29.60	28.88	28.28	28.65	28.71	28.92	29.00
Other investors	7.13	12.92	13.16	13.11	13.07	12.86	12.82	12.90
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