



Central Bank of Kenya

# Weekly Bulletin

October 25, 2024



## RECENT MONETARY AND FINANCIAL DEVELOPMENTS

### Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending October 24. It exchanged at KSh 129.20 per US dollar on October 24 same rate as at October 17 (**Table 1**).

### Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 8,485 million (4.4 months of import cover) as of October 24. This meets the CBK's statutory requirement to endeavour to maintain at least 4 months of import cover (**Table 2**).

### Remittances

Remittance inflows in September 2024 totalled USD 418.5 million compared to USD 340.4 million in September 2023, an increase of 22.9 percent (**Chart 1**). The cumulative inflows for the 12 months to September 2024 increased by 14.0 percent to USD 4,723 million compared to USD 4,142 million in a similar period in 2023. The remittance inflows continue to support the current account and the foreign exchange market. The US remains the largest source of remittances to Kenya, accounting for 55.4 percent in September 2024.

### Money Market

Liquidity in the money market remained adequate during the week ending, October 24, supported by open-market operations. Commercial banks' excess reserves stood at KSh 17.8 billion in relation to the 4.25 percent cash reserves requirement (CRR). The average interbank rate was 11.97 percent on October 24 compared to 11.93 percent on October 17. During the week, the average number of interbank deals declined marginally to 51 from 52 in the previous week, while the average value traded increased to KSh 44.4 billion from KSh 41.4 billion in the previous week (**Table 3**).

### Government Securities Market

The Treasury bill auction of October 24 received bids totaling KSh 85.8 billion against an advertised amount of KSh 24.0 billion, representing a performance of 357.32

percent. Interest rate on the 91-day, 182-day, and 364-day Treasury bills declined (**Table 4**).

### Equity Market

At the Nairobi Securities Exchange, the NASI increased by 0.8 percent while the NSE 25 and NSE 20 share price indices decreased by 0.5 percent and 0.3 percent, respectively during the week ending October 24. Over the same period, Market capitalization and equity turnover increased by 0.8 percent and 8.4 percent while total shares traded decreased by 14.3 percent (**Table 6**).

### Bond Market

Bond turnover in the domestic secondary market decreased by 39.6 percent during the week ending October 24 (**Table 6**). In the international market, yields on Kenya's Eurobonds on average increased by 25.2 basis points. The yield on the 10-year Eurobond for Angola decreased marginally while that of Zambia increased (**Chart 3**).

### Global Trends

According to IMF's October update of the World Economic Outlook (WEO), global growth is expected to remain stable at 3.2 percent in 2024 and 2025, largely in line with the WEO update for July. The 2024 growth forecast for US was revised upwards to 2.8 percent from 2.6 percent, while Euro area was revised downwards to 0.8 percent from 0.9 percent. The downward revision for China, Mexico, Saudi Arabia and Sub-Saharan Africa was on account of disruptions to production and shipping of commodities, conflicts, civil unrest, and extreme weather events. The US dollar index strengthened by 0.23 percent against a basket of major currencies during the week ending October 24, 2024.

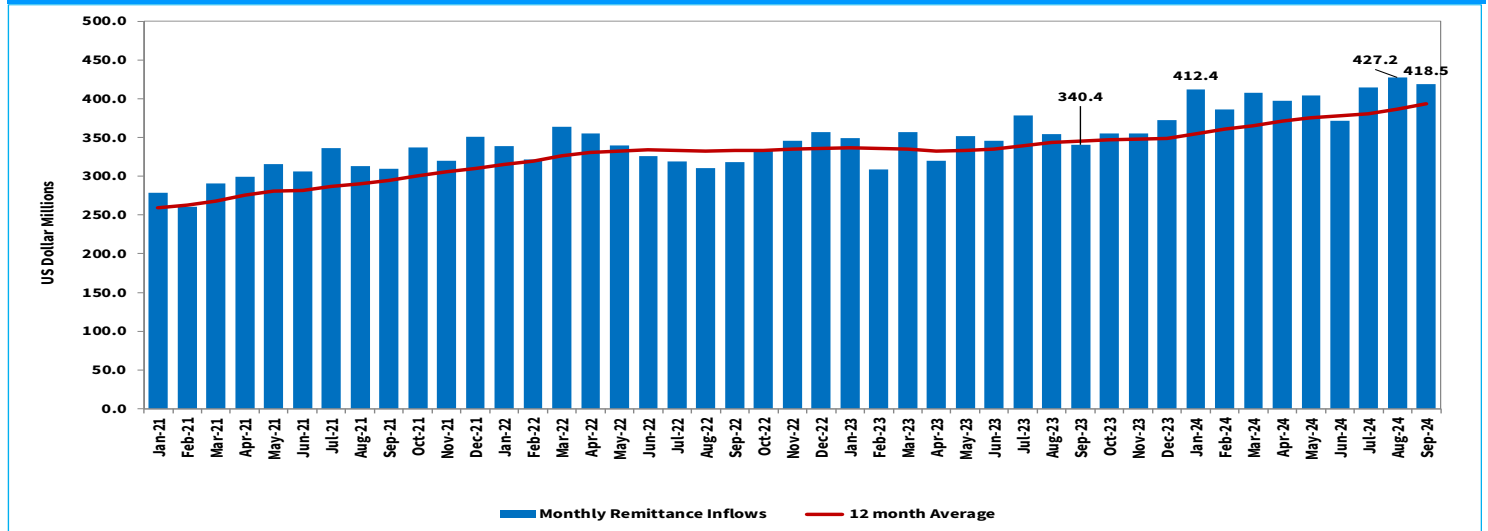
International oil prices increased during the week ending October 24, partly reflecting geopolitical tensions in the Middle East. The price of Murban oil increased to USD 76.66 on October 24, 2024, from USD 74.49 on October 17, 2024.

**Table 1: Kenya Shilling Exchange Rates**

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
11-Oct-24	129.20	168.75	141.15	86.54	28.45	21.09	10.43	22.83
14-Oct-24	129.20	168.75	141.15	86.54	28.45	21.09	10.43	22.83
15-Oct-24	129.20	168.61	140.95	86.20	28.37	21.09	10.43	22.83
16-Oct-24	129.20	168.92	140.68	86.55	28.41	21.09	10.49	22.47
17-Oct-24	129.20	168.07	140.55	86.37	28.41	21.09	10.44	22.47
<b>Oct 11-17</b>	<b>129.20</b>	<b>168.62</b>	<b>140.90</b>	<b>86.44</b>	<b>28.41</b>	<b>21.09</b>	<b>10.44</b>	<b>22.69</b>
18-Oct-24	129.21	168.25	140.05	86.25	28.44	21.09	10.51	22.51
21-Oct-24	<b>Public Holiday</b>							
22-Oct-24	129.21	168.00	139.82	85.63	28.37	21.09	10.45	22.47
23-Oct-24	129.18	167.84	139.58	84.95	28.37	21.09	10.47	22.48
24-Oct-24	129.20	167.02	139.41	84.85	28.38	21.09	10.46	22.48
<b>Oct 18-24</b>	<b>129.20</b>	<b>167.78</b>	<b>139.71</b>	<b>85.42</b>	<b>28.39</b>	<b>21.09</b>	<b>10.47</b>	<b>22.48</b>

\*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

**Chart 1: Remittances**

Source: Central Bank of Kenya

**Table 2: Usable Foreign Exchange Reserves (USD Million)**

	26-Sep-24	03-Oct-24	09-Oct-24	17-Oct-24	24-Oct-24
1. CBK Usable Foreign Exchange Reserves (USD Million)	8,027	8,186	8,299	8,491	8,485
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)*	4.1	4.2	4.3	4.4	4.4

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

Source: Central Bank of Kenya

Table 3: Money Markets			
Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
11-Oct-24	50	39,233.00	11.92
14-Oct-24	47	40,850.00	11.87
15-Oct-24	50	40,950.00	11.91
16-Oct-24	61	45,262.00	11.91
17-Oct-24	51	40,892.00	11.93
<b>Oct 11-17</b>	<b>52</b>	<b>41,437.40</b>	<b>11.91</b>
18-Oct-24	59	52,196.00	11.95
21-Oct-24	Public Holiday		
22-Oct-24	51	45,142.00	11.95
23-Oct-24	55	43,680.00	11.97
24-Oct-24	39	36,510.00	11.97
<b>Oct 18-24</b>	<b>51</b>	<b>44,382.00</b>	<b>11.96</b>

Source: Central Bank of Kenya

Table 4: Performance of Treasury Bill Auctions						
<b>91-Day Treasury Bills</b>						
Date of Auction	28-Dec-23	27-Jun-24	29-Aug-24	26-Sep-24	17-Oct-24	24-Oct-24
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)	8,516.51	4,361.03	17,496.40	6,919.23	17,370.09	34,228.16
Amount Accepted (KSh M)	6,986.46	2,745.34	16,953.43	3,370.90	7,036.27	19,345.23
Maturities (KSh M)	3,254.55	3,922.10	18,029.30	2,377.75	10,141.45	20,263.85
<b>Average Interest Rate (%)</b>	<b>15.983</b>	<b>15.977</b>	<b>15.784</b>	<b>15.718</b>	<b>14.766</b>	<b>14.432</b>
<b>182-Day Treasury Bills</b>						
Date of Auction	28-Dec-23	27-Jun-24	29-Aug-24	26-Sep-24	17-Oct-24	24-Oct-24
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)	322.85	1,494.42	4,451.13	5,437.90	34,193.25	28,147.21
Amount Accepted (KSh M)	322.85	1,479.67	4,443.43	3,330.51	11,799.48	10,934.24
Maturities (KSh M)	1,365.20	293.25	2,088.35	2,144.40	8,364.00	7,440.75
<b>Average Interest Rate (%)</b>	<b>15.967</b>	<b>16.764</b>	<b>16.633</b>	<b>16.589</b>	<b>15.636</b>	<b>15.147</b>
<b>364-Day Treasury Bills</b>						
Date of Auction	28-Dec-23	27-Jun-24	29-Aug-24	26-Sep-24	17-Oct-24	24-Oct-24
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)	1,661.91	1,833.64	2,254.39	8,567.15	29,369.62	23,384.15
Amount Accepted (KSh M)	1,661.91	1,828.51	2,248.06	5,764.78	15,725.73	11,476.72
Maturities (KSh M)	1,858.45	1,679.00	567.65	522.70	2,440.05	2,099.35
<b>Average Interest Rate (%)</b>	<b>16.100</b>	<b>16.791</b>	<b>16.842</b>	<b>16.800</b>	<b>15.912</b>	<b>15.469</b>

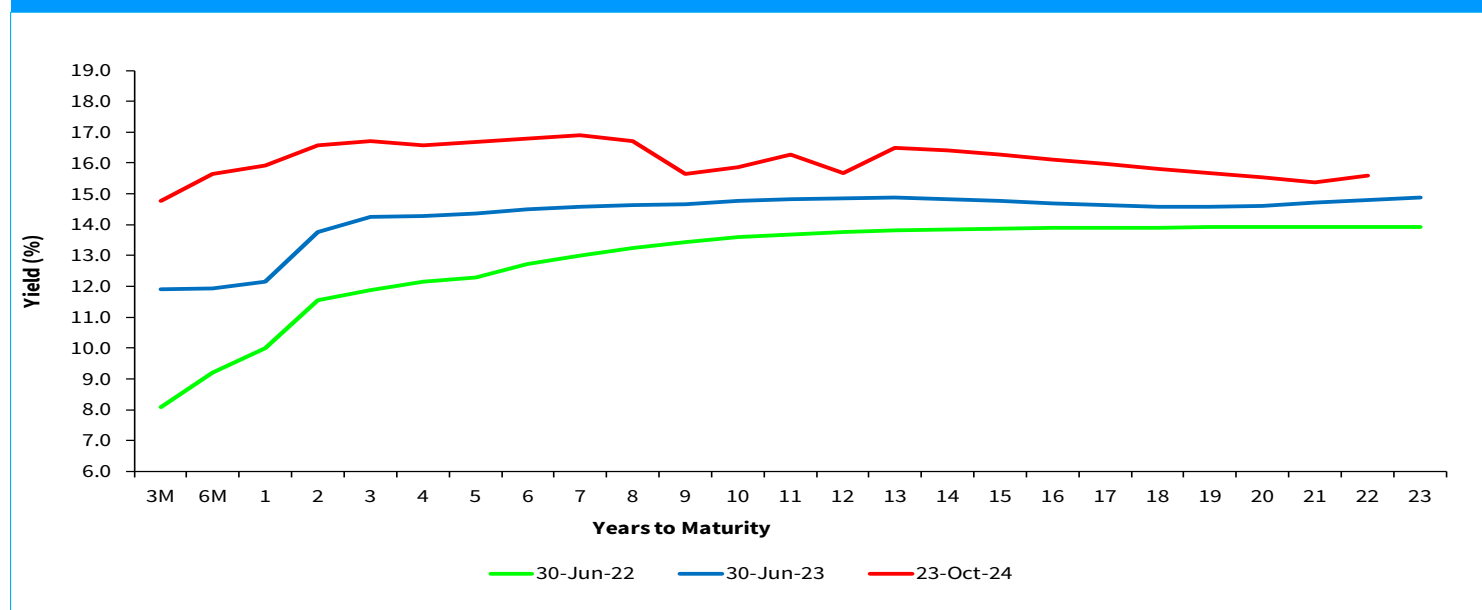
Source: Central Bank of Kenya

**Table 5: Performance of Treasury Bond Auctions**

Date of Auction	14-Aug-24		29-Aug-24	18-Sep-24		9-Oct-24		17-Oct-24
	RE-OPEN		TAP	RE-OPEN		RE-OPEN		TAP
Tenor	IFB1/ 2023/6.5	IFB1/ 2023/17	IFB1/ 2023/17	FXD1/ 2024/010	FXD1/ 2016/020	FXD1/ 2016/010	FXD1/ 2022/010	FXD1/ 2022/010
Amount offered (KSh M)	50,000.00		15,000.00	30,000.00		30,000.00		15,000.00
Bids received (KSh M)	96,861.91	29,460.52	35,185.70	13,396.00	9,246.10	36,615.53	14,349.29	16,497.15
Amount Accepted (KSh M)	74,167.60	14,530.92	32,024.23	11,565.37	7,711.12	28,026.11	3,251.00	15,092.95
Maturities (KSh M)	0.00							0.00
Average interest Rate (%)	18.30	17.73	17.73	16.87	17.29	16.98	16.95	16.95

Source: Central Bank of Kenya

**Chart 2: Government Securities Yield Curve**



Source: Nairobi Securities Exchange (NSE)

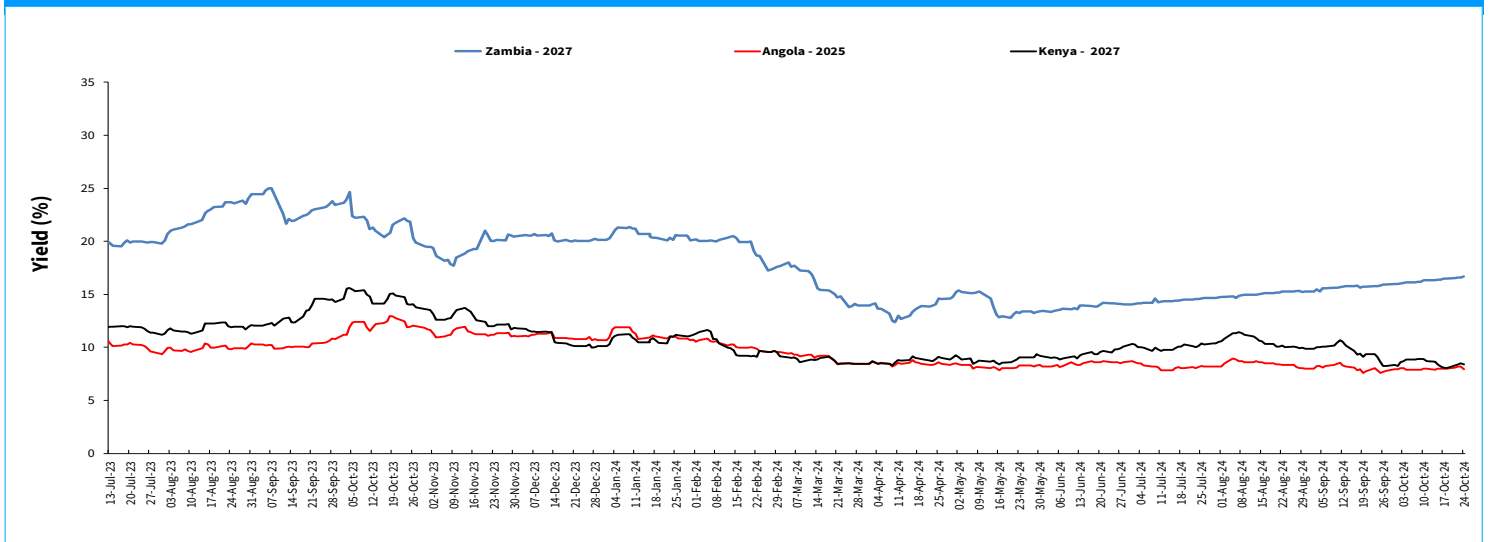
**Table 6: Performance of Key Market Indicators**

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 (%)					
									7-Year 2027	10-Year 2028	6-Year 2031	12-Year 2032	13-Year 2034	30-Year 2048
11-Oct-24	110.13	3001.36	1806.56	1690.00	29.65	339.18	1723.97	4025.25	8.729	9.135	9.960	10.005	9.894	10.264
14-Oct-24	111.27	3030.12	1827.49	1444.00	6.18	68.30	1741.78	5122.20	8.640	9.090	9.898	9.949	9.794	10.231
15-Oct-24	110.49	3008.66	1815.87	1307.00	3.63	47.55	1729.65	9420.45	8.378	9.045	9.867	9.893	9.720	10.165
16-Oct-24	112.08	3066.52	1831.74	1405.00	5.34	126.93	1754.48	6842.60	8.205	8.956	9.805	9.866	9.671	10.132
17-Oct-24	113.29	3121.62	1849.82	1496.00	21.40	449.68	1773.41	8707.05	8.123	8.869	9.743	9.784	9.649	10.100
<b>Oct 11-17</b>	<b>113.29</b>	<b>3121.62</b>	<b>1849.82</b>	<b>7342.00</b>	<b>66.20</b>	<b>1,031.64</b>	<b>1,773.41</b>	<b>34,117.55</b>	<b>8.123</b>	<b>8.869</b>	<b>9.743</b>	<b>9.784</b>	<b>9.649</b>	<b>10.100</b>
18-Oct-24	114.52	3142.23	1861.54	1288.00	5.85	111.83	1792.61	4343.40	8.037	8.825	9.743	9.813	9.650	10.100
21-Oct-24	<b>Public Holiday</b>								8.305	9.007	9.898	9.953	9.799	10.198
22-Oct-24	114.65	3149.14	1849.75	1709.00	30.88	637.13	1794.63	5274.95	8.396	9.100	10.023	10.095	9.901	10.298
23-Oct-24	115.13	3149.10	1849.68	1353.00	10.29	247.37	1802.153	3887.42	8.488	9.147	10.023	10.125	9.927	10.315
24-Oct-24	114.14	3105.58	1845.08	1214.00	9.70	122.19	1786.695	7112.10	8.406	9.105	9.992	10.099	9.879	10.298
<b>Oct 18-24</b>	<b>114.14</b>	<b>3105.58</b>	<b>1845.08</b>	<b>5564.00</b>	<b>56.72</b>	<b>1,118.52</b>	<b>1,786.70</b>	<b>20,617.87</b>	<b>8.406</b>	<b>9.105</b>	<b>9.992</b>	<b>10.099</b>	<b>9.879</b>	<b>10.298</b>
<b>Weekly Changes (%)</b>	<b>0.75</b>	<b>-0.51</b>	<b>-0.26</b>	<b>-24.22</b>	<b>-14.32</b>	<b>8.42</b>	<b>0.75</b>	<b>-39.57</b>	<b>0.283*</b>	<b>0.236*</b>	<b>0.249*</b>	<b>0.315*</b>	<b>0.230*</b>	<b>0.198*</b>

\* Percentage points

Source: Nairobi Securities Exchange (NSE) and Thomson Reuters

**Chart 3: Yields on 10-Year Eurobonds for Selected Countries**



Source: Bloomberg, London Stock Exchange

**Table 7: Government Domestic Debt (KSh Billion)**

	29-Dec-23	19-Jun-24	28-Jun-24	31-Jul-24	28-Aug-24	25-Sep-24	16-Oct-24	23-Oct-24
1. Treasury Bills (Excluding Repos)	546.90	615.64	615.89	651.89	673.95	703.76	728.11	745.06
<i>(As % of total securities)</i>	<b>11.35</b>	<b>11.80</b>	<b>11.75</b>	<b>12.32</b>	<b>12.47</b>	<b>12.82</b>	<b>13.20</b>	<b>13.43</b>
2. Treasury Bonds	4,271.82	4,602.04	4,627.12	4,637.89	4,729.22	4,785.62	4,786.35	4,802.76
<i>(As % of total securities)</i>	<b>88.65</b>	<b>88.20</b>	<b>88.25</b>	<b>87.68</b>	<b>87.53</b>	<b>87.18</b>	<b>86.80</b>	<b>86.57</b>
3. Total Securities (1+2)	4,818.72	5,217.68	5,243.01	5,289.78	5,403.17	5,489.38	5,514.46	5,547.81
4. Overdraft at Central Bank	94.13	83.22	61.02	60.53	49.43	63.36	65.08	75.50
5. Other Domestic debt*	137.26	105.08	106.25	103.06	103.07	104.73	105.66	103.86
<b>of which IMF funds on-lent to Government</b>	<b>104.24</b>	<b>83.54</b>	<b>83.54</b>	<b>82.61</b>	<b>82.61</b>	<b>83.52</b>	<b>84.44</b>	<b>82.63</b>
<b>6. Gross Domestic Debt (3+4+5)</b>	<b>5,050.11</b>	<b>5,405.98</b>	<b>5,410.28</b>	<b>5,453.37</b>	<b>5,555.66</b>	<b>5,657.47</b>	<b>5,685.20</b>	<b>5,727.17</b>

\* 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	29-Dec-23	28-Jun-24	31-Jul-24	28-Aug-24	25-Sep-24	16-Oct-24	23-Oct-24
Treasury bills (Excluding Repos)	12.72	10.83	11.38	11.95	12.13	12.44	12.81	13.01
Treasury bonds	83.07	84.59	85.52	85.05	85.12	84.59	84.19	83.86
Overdraft at Central Bank	1.58	1.86	1.13	1.11	0.89	1.12	1.14	1.32
Other domestic debt	2.63	2.72	1.96	1.89	1.86	1.85	1.86	1.81
of which IMF fund on lent to government	1.98	2.06	1.54	1.51	1.49	1.48	1.49	1.44
<b>TOTAL</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Source: Central Bank of Kenya

**Table 9: Government Domestic Debt by Holder (Percent)**

	30-Jun-23	29-Dec-23	28-Jun-24	31-Jul-24	28-Aug-24	25-Sep-24	16-Oct-24	23-Oct-24
Banking Institutions	46.17	46.07	45.12	45.12	44.81	45.00	45.32	45.56
Insurance Companies	7.31	7.23	7.23	7.21	7.20	7.15	7.17	7.16
Parastatals	5.98	5.47	5.13	5.08	5.34	5.30	5.41	5.41
Pension Funds*	33.42	29.93	29.60	29.39	29.14	29.12	29.01	28.97
Other Investors	7.13	11.30	12.92	13.19	13.50	13.43	13.10	12.90
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

\* Includes pension funds and custodial/ Nominee Accounts

Source: Central Bank of Kenya

**Table 10: Public Debt**

	Dec-21	Jun-22	Dec-22	Jun-23	Sep-23	Dec-23	Mar-24	May-24	June-24*
Domestic debt (KSh Bn)	4,032.37	4,288.33	4,472.84	4,832.11	4,917.47	5,050.11	5,235.19	5,319.89	5,410.28
Public & Publicly Guaranteed External debt (USD Bn)	36.90	36.58	37.88	38.76	38.27	38.92	39.18	39.30	39.77
Public & Publicly Guaranteed External debt (KSh Bn)	4,174.37	4,290.73	4,673.14	5,446.56	5,667.80	6,089.58	5,163.42	5,118.31	5,150.84
Public debt (KSh Bn)	<b>8,206.74</b>	<b>8,579.06</b>	<b>9,145.98</b>	<b>10,278.67</b>	<b>10,585.27</b>	<b>11,139.69</b>	<b>10,398.61</b>	<b>10,438.19</b>	<b>10,561.12</b>

\* Provisional

Source: The National Treasury and Central Bank of Kenya