



Central Bank of Kenya

Weekly Bulletin

January 10, 2025



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Real GDP growth

The economy grew by 4.0 percent in the third quarter of 2024 compared to 6.0 percent growth in the third quarter of 2023. The slowdown was largely due to a deceleration in growth across most sectors and contraction in the construction and mining and quarrying sectors. The agriculture sector grew by 4.2 percent in 2024Q3, compared to 5.1 percent growth recorded in 2023Q3, supported by increased production of sugarcane and milk.

The Services sector recorded a growth of 5.3 percent in 2024Q3 compared to 7.8 percent in a similar quarter last year. The industrial sector contracted by -0.2 percent compared to a growth of 3.1 percent in 2023Q3 (**Table 1**).

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending January 9. It exchanged at KSh 129.47 per US dollar on January 9, 2025, compared to KSh 129.31 per US dollar on January 2, 2025 (**Table 2**).

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 9,178 million (4.7 months of import cover) as of January 9, 2025. This meets the CBK's statutory requirement to endeavour to maintain at least 4 months of import cover (**Table 3**).

Money Market

Liquidity in the money market remained adequate during the week ending January 9 supported by open-market operations. Commercial banks' excess reserves stood at KSh 28.8 billion in relation to the 4.25 percent cash reserves requirement (CRR). The average interbank rate was at 11.12 percent on January 9 compared to 11.06 percent on January 2. During the week, the average number of interbank deals increased to 46 from 40 the previous week, while the average value traded increased to KSh 30.9 billion from KSh 25.1 billion in the previous week (**Table 4**).

Government Securities Market

The Treasury bill auction of January 7 received bids totalling KSh 33.1 billion against an advertised amount of KSh 24.0 billion, representing a performance of 138.1 percent. Interest rate on the 91-day, 182-day and 364-day Treasury bills declined (**Table 5**).

Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices increased by 2.9 percent, 1.5 percent and 4.1 percent, respectively, during the week ending January 9, 2025. Equity turnover, total shares and Market capitalization increased by 527.3 percent, 367.5 percent and 2.9 percent, respectively (**Table 7**).

Bond Market

Bond turnover in the domestic secondary market increased by 95.0 percent during the week ending January 9, 2025 (**Table 7**). In the international market, yields on Kenya's Eurobonds on average decreased by 28.0 basis points. The yield on Eurobond for Angola decreased while Ivory Coast increased slightly (**Chart 2**).

Global Trends

Concerns about inflation in advanced economies persisted during the week ending January 10, 2025. Inflation in the Euro Area increased to 2.4 percent in December 2024 from 2.2 percent in November signaling continued price pressures. The US dollar index strengthened by 0.3 percent against a basket of major currencies during the week ending January 9. International oil prices remained stable during the week. The price of Murban oil rose slightly to USD 77.75 per barrel on January 9, 2025 from USD 77.12 per barrel on January 2.

Table 1: Real GDP Growth by Sector (Percent)

	2023				2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1. Agriculture	6.4	7.8	5.1	6.2	6.1	4.8	4.2
2. Non-Agriculture (o/w)	5.2	5.1	6.2	4.9	4.7	4.5	4.0
2.1 Industry	1.5	1.4	3.1	1.4	0.1	0.6	-0.2
Mining & Quarrying	-11.0	-8.3	0.8	-6.9	-14.8	-2.7	-11.1
Manufacturing	1.7	1.5	2.8	2.0	1.4	3.2	2.3
Electricity & water supply	3.8	2.8	3.3	1.3	2.4	1.0	0.9
Construction	3.0	2.7	4.0	2.2	0.1	-2.9	-2.0
2.2 Services	6.8	6.8	7.8	6.5	6.2	5.5	5.3
Wholesale & Retail Trade	2.9	2.1	3.1	2.8	4.9	4.4	4.8
Accommodation & restaurant	47.1	42.7	34.5	18.1	28.0	26.6	13.7
Transport & Storage	6.6	4.6	5.1	8.5	3.8	3.6	5.2
Information & Communication	9.5	7.6	8.8	11.0	7.8	7.2	6.1
Financial & Insurance	5.9	13.2	15.5	6.3	7.0	5.1	4.7
Public administration	7.6	3.2	4.6	3.4	5.8	5.1	5.4
Professional, Administration & Support Services	8.6	6.6	9.7	12.8	9.9	6.8	7.8
Real estate	7.3	8.1	7.7	6.2	6.6	6.0	5.5
Education	2.0	3.1	3.5	3.9	4.0	3.1	3.8
Health	5.1	4.7	5.0	4.8	5.5	5.5	4.4
Other services	4.6	2.4	6.4	2.9	2.5	2.0	2.8
FISIM	0.6	4.9	2.9	2.5	5.8	0.9	5.1
2.3 Taxes on products	3.0	1.8	1.9	2.0	4.7	5.7	3.4
Real GDP Growth	5.5	5.6	6.0	5.1	5.0	4.6	4.0

Source: Central Bank of Kenya and Kenya National Bureau of Statistics

Table 2: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundian Franc*
27-Dec-24	129.29	161.96	134.60	82.02	28.31	18.72	10.65	22.87
30-Dec-24	129.30	162.68	134.79	81.91	28.37	18.76	10.67	22.87
31-Dec-24	129.29	162.27	134.29	82.12	28.41	18.99	10.73	22.87
1-Jan-25	Public Holiday							
2-Jan-25	129.31	162.20	134.72	82.48	28.45	18.75	10.65	22.87
Dec 27-Jan 02	129.30	162.27	134.60	82.13	28.38	18.80	10.67	22.87
3-Jan-25	129.29	160.35	133.37	82.48	28.45	18.83	10.66	22.87
6-Jan-25	129.35	160.95	133.46	81.97	28.41	19.06	10.66	22.87
7-Jan-25	129.38	162.20	134.55	81.95	28.53	19.21	10.66	22.86
8-Jan-25	129.42	161.58	134.02	81.86	28.54	18.74	10.73	22.85
9-Jan-25	129.47	159.74	133.31	81.73	28.61	19.23	10.81	22.85
Jan 03-09	129.38	160.97	133.74	82.00	28.51	19.01	10.70	22.86

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 3: Usable Foreign Exchange Reserves (USD Million)

	26-Sep-24	31-Oct-24	28-Nov-24	5-Dec-24	11-Dec-24	19-Dec-24	24-Dec-24	2-Jan-25	9-Jan-25
1. CBK Usable Foreign Exchange Reserves (USD Million)*	8,027	8,586	9,007	8,969	9,029	9,010	9,201	9,198	9,178
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.1	4.4	4.6	4.6	4.6	4.6	4.7	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 4: Money Market

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
27-Dec-24	49	33,730.00	11.06
30-Dec-24	47	31,375.00	11.05
31-Dec-24	30	11,760.00	11.10
1-Jan-25	Public holiday		
2-Jan-25	33	23,700.00	11.06
Dec 27- Jan 2	40	25,141.25	11.07
3-Jan-25	34	23,995.00	11.04
6-Jan-25	46	40,600.00	11.03
7-Jan-25	48	34,780.00	11.07
8-Jan-25	49	29,340.00	11.09
9-Jan-25	53	25,700.00	11.12
Jan 3-9 25	46	30,889.00	11.07

Source: Central Bank of Kenya

Table 5: Performance of Treasury Bill Auctions

91-Day Treasury Bills						
Date of Auction	28-Dec-23	27-Jun-24	28-Nov-24	27-Dec-24	2-Jan-25	8-Jan-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)	8,516.51	4,361.03	18,817.44	2,242.28	7,986.26	13,324.99
Amount Accepted (Ksh M)	6,986.46	2,745.34	15,938.75	2,208.47	7,978.71	9,425.51
Maturities (Ksh M)	3,254.55	3,922.10	17,516.75	3,443.00	12,915.60	6,245.00
Average interest Rate (%)	15.983	15.977	11.250	9.895	9.825	9.594
182-Day Treasury Bills						
Date of Auction	28-Dec-23	27-Jun-24	28-Nov-24	27-Dec-24	2-Jan-25	8-Jan-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)	322.85	1,494.42	10,416.04	435.30	6,078.00	9,711.25
Amount Accepted (Ksh M)	322.85	1,479.67	4,208.53	435.30	6,078.00	9,682.15
Maturities (Ksh M)	1,365.20	293.25	9,724.25	1,534.00	9,888.80	9,758.45
Average interest Rate (%)	15.967	16.764	11.338	10.022	10.026	10.025
364-Day Treasury Bills						
Date of Auction	28-Dec-23	27-Jun-24	28-Nov-24	27-Dec-24	2-Jan-25	8-Jan-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)	1,661.91	1,833.64	21,422.50	2,189.12	1,627.63	10,107.47
Amount Accepted (Ksh M)	1,661.91	1,828.51	14,507.31	2,189.12	1,627.63	5,350.21
Maturities (Ksh M)	1,858.45	1,679.00	2,102.30	1,918.60	1,423.45	2,778.05
Average interest Rate (%)	16.100	16.791	12.490	11.410	11.371	11.334

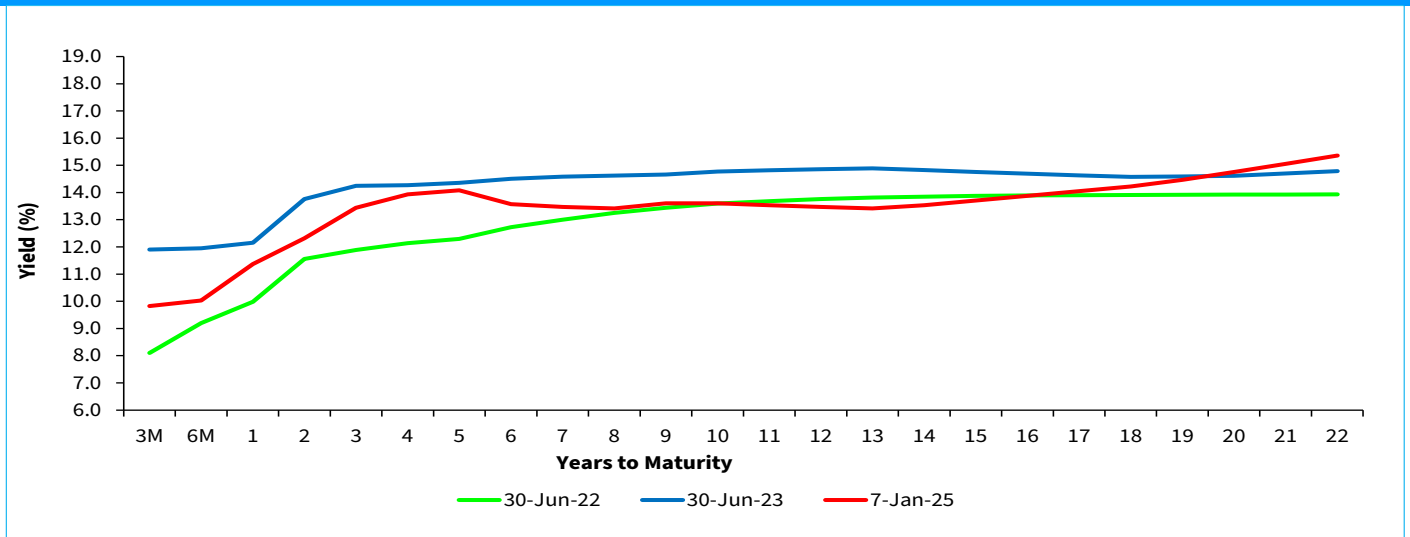
Source: Central Bank of Kenya

Table 6: Performance of Treasury Bond Auctions

Date of Auction	17-Oct-24	6-Nov-24		13-Nov-24	4-Dec-24		13-Dec-24
Tenor	TAP	RE-OPEN		RE-OPEN	RE-OPEN		RE-OPEN
	FXD1/ 2022/010	FXD1/ 2023/010	FXD1/ 2022/015	FXD1/ 2024/010	FXD1/ 2023/010	FXD1/ 2018/020	FXD1/ 2024/10
Amount offered (KSh M)	15,000.00	25,000.00		20,000.00	25,000.00		20,000.00
Bids received (KSh M)	16,497.15	16,331.02	16,717.40	55,575.58	47,395.28	23,922.30	53,628.95
Amount Accepted (KSh M)	15,092.95	10,286.04	15,397.04	30,515.91	34,922.07	18,488.38	43,448.79
Maturities (KSh M)							
Average interest Rate (%)	16.95	15.97	16.30	15.86	14.69	15.11	14.69

Source: Central Bank of Kenya

Chart 1: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

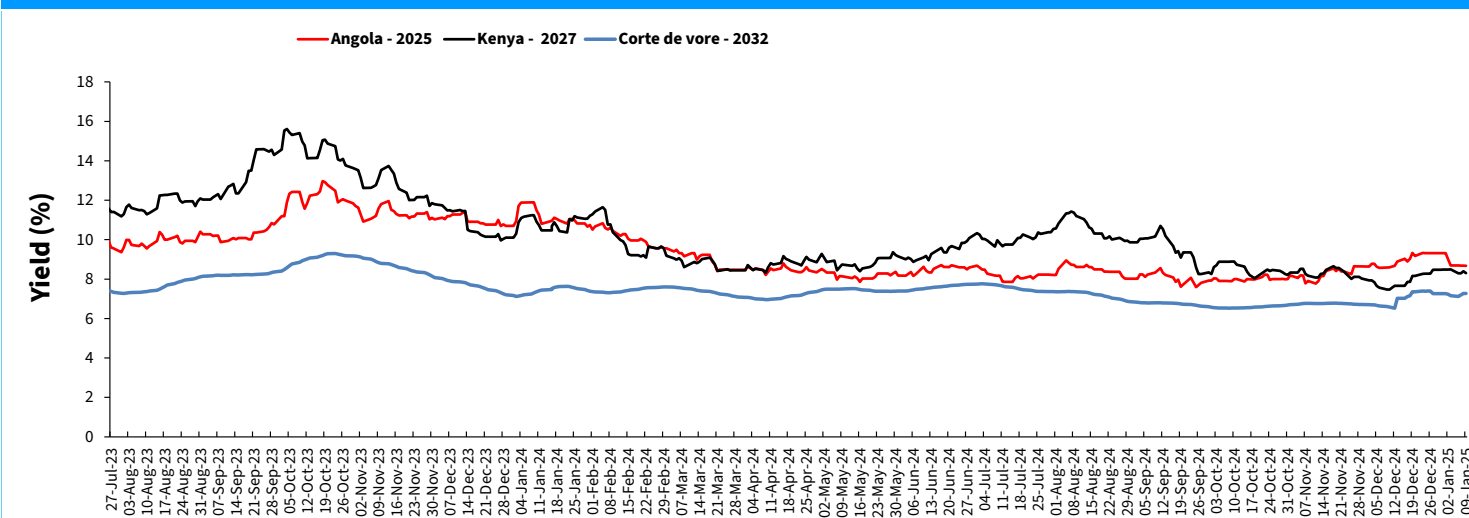
Table 7: Performance of Key Market Indicators

INDICATOR	NASI 100=2008	NSE 25 Share Index	NSE 20 Share Index 100=1996	Total Deals (Equity)	Total Shares Traded (Mil- lion)	Equity Turnover (KSh Million)	Market Capitaliza- tion (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
27-Dec-24	122.39	3,348.99	1,982.05	1,192.00	7.51	37.39	1,922.60	2,002.30	8.472	9.051	10.064	10.054	10.062	10.269
30-Dec-24	123.12	3,380.24	1,993.74	1,413.00	7.77	160.28	1,934.05	2,685.10	8.477	9.054	10.129	10.113	10.116	10.286
31-Dec-24	123.48	3,402.80	2,010.65	1,371.00	8.48	65.90	1,939.74	1,679.43	8.480	9.056	10.129	10.114	10.117	10.286
1-Jan-25	PUBLIC HOLIDAY								8.480	10.129	10.114	10.117	10.286	
2-Jan-25	125.34	3,457.87	2,058.67	1,494.00	9.12	115.47	1,968.93	1,434.95	8.488	9.060	10.097	10.058	10.094	10.270
December 27- January 2	125.34	3,457.87	2,058.7	5,470	33	379	1,969	7,802	8.488	9.060	10.097	10.058	10.094	10.270
3-Jan-25	126.36	3,483.67	2,088.97	1,689.00	22.34	206.84	1,984.96	887.30	8.491	8.918	9.937	9.914	9.915	10.137
6-Jan-25	127.28	3,494.82	2,095.88	2,288.00	39.51	801.34	1,999.45	2,205.15	8.291	8.872	9.809	9.801	9.814	10.040
7-Jan-25	128.43	3,520.92	2,132.26	2,465.00	24.18	438.51	2,017.52	7,253.10	8.293	8.777	9.713	9.716	9.740	9.976
8-Jan-25	128.93	3,522.61	2,145.52	2,313.00	29.75	509.70	2,025.29	2,840.65	8.398	8.826	9.809	9.773	9.816	10.024
9-Jan-25	128.97	3,508.57	2,142.52	2,234.00	37.88	421.32	2,026.05	2,029.20	8.303	8.783	9.777	9.747	9.768	10.008
January 3-9	128.97	3,508.57	2,142.52	10,989.00	153.67	2,377.72	2,026.05	15,215.40	8.303	8.783	9.777	9.747	9.768	10.008
Weekly Chang- es (%)	2.90	1.47	4.07	100.90	367.46	527.29	2.90	95.02	-0.185*	-0.277*	-0.320*	-0.311*	-0.326*	-0.262*

* Percentage points

Source: Nairobi Securities Exchange (NSE) and Thomson Reuters

Chart 2: Yields on 10-Year Eurobonds for Selected Countries



Source: London Stock Exchange

Table 8: Government Domestic Debt (KSh Billion)

	28-Jun-24	31-Jul-24	30-Aug-24	30-Sep-24	30-Oct-24	29-Nov-24	24-Dec-24	31-Dec-24	7-Jan-25
1. Treasury Bills (Excluding Repos)	615.89	651.89	673.95	712.45	760.13	834.73	848.09	846.10	838.08
<i>(As % of total securities)</i>	11.75	12.32	12.47	12.96	13.66	14.71	14.80	14.77	14.65
2. Treasury Bonds	4,627.12	4,637.89	4,729.22	4,785.63	4,802.76	4,840.35	4,884.05	4,884.05	4,884.05
<i>(As % of total securities)</i>	88.25	87.68	87.53	87.04	86.34	85.29	85.20	85.23	85.35
3. Total Securities (1+2)	5,243.01	5,289.78	5,403.17	5,498.08	5,562.89	5,675.08	5,732.14	5,730.15	5,722.12
4. Overdraft at Central Bank	61.02	60.53	49.52	0.00	28.63	31.77	34.87	37.48	45.87
5. Other Domestic debt*	106.25	103.06	105.66	103.64	103.69	101.95	101.15	101.15	101.15
of which IMF funds on-lent to Government	83.54	82.61	84.44	82.63	82.63	81.08	80.29	80.29	80.29
6. Gross Domestic Debt (3+4+5)	5,410.28	5,453.37	5,558.35	5,601.71	5,695.22	5,808.80	5,868.15	5,868.77	5,869.14

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

Source: Central Bank of Kenya

Table 9: Composition of Government Domestic Debt by Instrument (Percent)

	28-Jun-24	31-Jul-24	30-Aug-24	30-Sep-24	30-Oct-24	29-Nov-24	24-Dec-24	31-Dec-24	7-Jan-25
Treasury bills (Excluding Repos)	11.38	11.95	12.12	12.72	13.35	14.37	14.45	14.42	14.28
Treasury bonds	85.52	85.05	85.08	85.43	84.33	83.33	83.23	83.22	83.22
Overdraft at Central Bank	1.13	1.11	0.89	0.00	0.50	0.55	0.59	0.64	0.78
Other domestic debt	1.96	1.88	1.90	1.85	1.82	1.76	1.72	1.72	1.72
of which IMF fund on lent to government	1.54	1.53	1.52	1.48	1.45	1.40	1.37	1.37	1.37
TOTAL	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: Central Bank of Kenya

Table 10: Government Domestic Debt by Holder (Percent)

	28-Jun-24	31-Jul-24	30-Aug-24	30-Sep-24	30-Oct-24	29-Nov-24	24-Dec-24	31-Dec-24	7-Jan-25
Banking Institutions	45.12	45.12	44.81	44.38	45.09	45.36	45.03	45.05	45.08
Insurance Companies	7.23	7.21	7.20	7.22	7.20	7.15	7.32	7.32	7.31
Parastatals	5.13	5.08	5.34	5.35	5.45	5.43	5.59	5.60	5.60
Pension Funds*	29.60	29.39	29.14	29.44	29.16	28.94	28.89	28.88	28.87
Other Investors	12.92	13.19	13.50	13.60	13.11	13.13	13.17	13.16	13.14
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

* Includes pension funds and custodial/ Nominee Accounts

Table 11: Public Debt

	Jun-22	Dec-22	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Jul-24	Aug-24	Sep-24*
Domestic debt (KSh Bn)	4,288.33	4,472.84	4,832.11	4,917.47	5,050.11	5,235.19	5,410.28	5,453.00	5,558.35	5,601.71
Public & Publicly Guaranteed External debt (USD Bn)	36.58	37.88	38.76	38.27	38.92	39.18	39.77	39.74	40.07	40.16
Public & Publicly Guaranteed External debt (KSh Bn)	4,290.73	4,673.14	5,446.56	5,667.80	6,089.58	5,163.42	5,150.84	5,162.85	5,176.10	5,188.37
Public debt (KSh Bn)	8,579.06	9,145.98	10,278.67	10,585.27	11,139.69	10,398.61	10,561.12	10,615.85	10,734.45	10,790.08

* Provisional

Source: The National Treasury and Central Bank of Kenya