



Central Bank of Kenya

# Weekly Bulletin

December 13, 2024



## RECENT MONETARY AND FINANCIAL DEVELOPMENTS

### Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending December 11. It exchanged at KSh 129.31 per US dollar on December 11, compared to KSh 129.33 per US dollar on December 5 (**Table 1**).

### Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 9,029 million (4.6 months of import cover) as of December 11. This meets the CBK's statutory requirement to endeavour to maintain at least 4 months of import cover (**Table 2**).

### Money Market

Liquidity in the money market remained adequate during the week ending December 11, supported by open market operations. Commercial banks' excess reserves stood at KSh 22.9 billion in relation to the 4.25 percent cash reserves requirement (CRR). The average interbank rate was 11.56 percent on December 11 compared to 11.83 on December 5. During the week, the average number of interbank deals increased to 70 from 52 in the previous week, while the average value traded increased to KSh 55.4 billion from KSh 38.8 billion in the previous week (**Table 3**).

### Government Securities Market

The Treasury bill auction of December 11 received bids totalling KSh 16.6 billion against an advertised amount of KSh 24.0 billion, representing a performance of 69.2 percent. Interest rate on the 91-day, 182-day, and 364-day Treasury bills declined (**Table 4**).

During the Treasury bond auction of December 11, the reopened 10-year fixed rate Treasury bonds received bids totalling KSh 53.6 billion against an advertised amount of KSh 20.0 billion, representing a performance of 268.1 percent (**Table 5**).

### Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices increased by 3.7 percent, 3.2 percent and 2.4 percent, respectively, during the week ending December 11. Market capitalization increased by 3.7 percent while equity turnover and total shares traded declined by 14.2 percent and 28.6 percent, respectively (**Table 6**).

### Bond Market

Bond Market Bond turnover in the domestic secondary market increased by 23.8 percent during the week ending December 11 (**Table 6**). In the international market, yields on Kenya's Eurobonds on average decreased by 5.6 basis points. The yield on Eurobond for Angola increased while that of Ivory Coast decreased (**Chart 2**).

### Global Trends

Inflation rates in the major economies was volatile amid monetary policy easing. US inflation increased slightly to 2.7 percent in November, from 2.6 percent in October. The European Central Bank lowered its policy rate by 25 basis points. The US dollar index strengthened by 0.93 percent against a basket of major currencies during the week ending December 11, 2024.

International oil prices increased during the week ending December 11. The price of Murban oil increased to USD 73.30 on December 11, 2024, from USD 71.86 on December 5 as OPEC+ members agreed to delay production increases that were set to begin in January 2025 to April 2025.

Table 1: Kenya Shilling Exchange Rates								
	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
29-Nov-24	129.68	164.82	137.09	86.38	28.46	20.40	10.55	22.78
2-Dec-24	129.76	164.65	136.56	86.13	28.44	20.35	10.64	22.77
3-Dec-24	129.77	164.12	136.13	86.45	28.43	20.42	10.63	22.77
4-Dec-24	129.59	164.47	136.30	86.38	28.40	20.33	10.56	22.80
5-Dec-24	129.33	164.34	136.07	86.11	28.45	20.34	10.45	22.85
<b>Nov 29-Dec 5</b>	<b>129.63</b>	<b>164.48</b>	<b>136.43</b>	<b>86.29</b>	<b>28.44</b>	<b>20.37</b>	<b>10.56</b>	<b>22.79</b>
6-Dec-24	129.30	164.74	136.53	85.88	28.38	20.26	10.84	22.85
9-Dec-24	129.30	164.95	136.75	86.39	28.35	20.11	10.60	22.86
10-Dec-24	129.31	165.23	136.79	85.72	28.33	20.11	10.76	22.86
11-Dec-24	129.31	165.02	136.16	85.27	28.33	19.26	10.61	22.86
12-Dec-24	Public Holiday							
<b>Dec 6-11</b>	<b>129.31</b>	<b>164.99</b>	<b>136.56</b>	<b>85.82</b>	<b>28.35</b>	<b>19.93</b>	<b>10.70</b>	<b>22.86</b>

\*Units of currency per Kenya Shilling  
Source: Central Bank of Kenya

Table 2: Usable Foreign Exchange Reserves (USD Million)					
	14-Nov-24	21-Nov-24	28-Nov-24	5-Dec-24	11-Dec-24
1. CBK Usable Foreign Exchange Reserves (USD Million)*	9,276	9,144	9,007	8,969	9,029
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.8	4.7	4.6	4.6	4.6

\*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 (%)
29-Nov-24	36	24,000.00	11.93
2-Dec-24	38	30,050.00	11.90
3-Dec-24	57	40,400.00	11.86
4-Dec-24	59	45,900.00	11.85
5-Dec-24	71	53,670.00	11.83
<b>Nov 29-Dec 5</b>	<b>52</b>	<b>38,804.00</b>	<b>11.87</b>
6-Dec-24	60	45,800.00	11.57
9-Dec-24	71	57,630.00	11.38
10-Dec-24	70	53,230.00	11.32
11-Dec-24	77	64,740.00	11.56
12-Dec-24	Public Holiday		
<b>Dec 6-12</b>	<b>70</b>	<b>55,350.00</b>	<b>11.46</b>

Source: Central Bank of Kenya

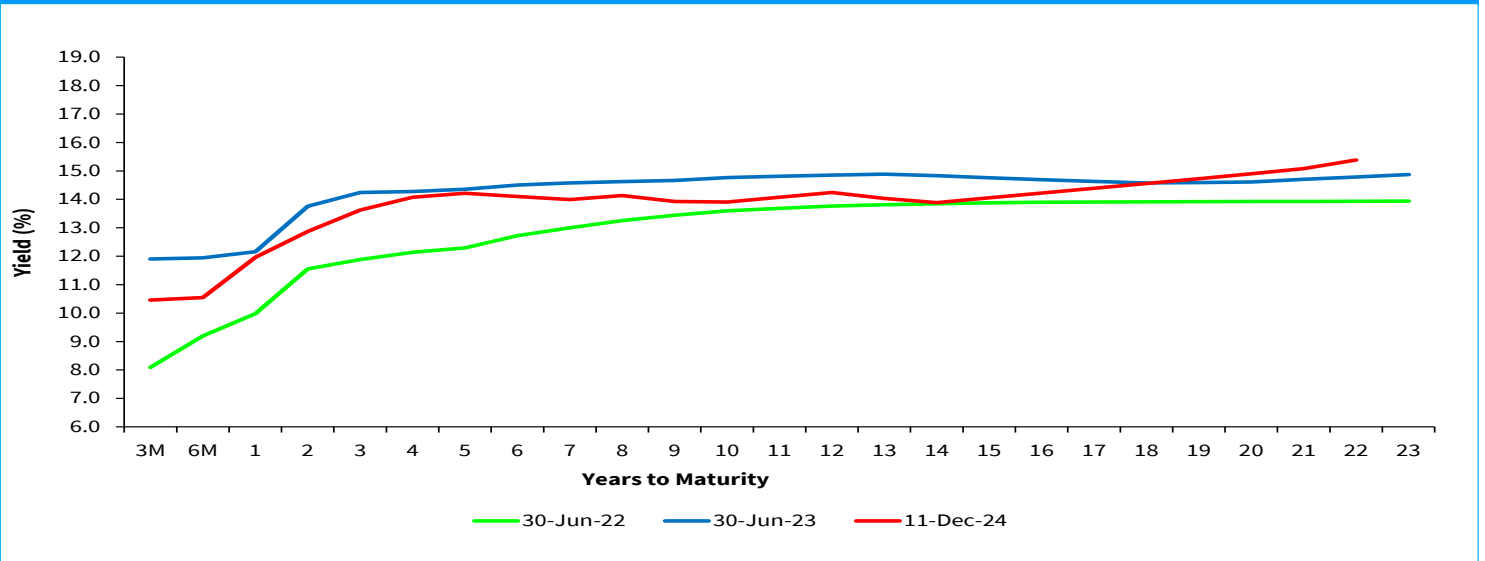
Table 4: Performance of Treasury Bill Auctions						
<b>91-Day Treasury Bills</b>						
Date of Auction	28-Dec-23	27-Jun-24	31-Oct-24	28-Nov-24	5-Dec-24	11-Dec-24
Amount Offered (KSh M)	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	4,000.00
Bids Received (KSh M)	8,516.51	4,361.03	15,007.98	18,817.44	18,927.94	5,848.41
Amount Accepted (KSh M)	6,986.46	2,745.34	7,366.03	15,938.75	18,906.52	5,834.00
Maturities (KSh M)	3,254.55	3,922.10	13,721.90	17,516.75	21,957.15	13,487.30
<b>Average Interest Rate (%)</b>	<b>15.983</b>	<b>15.977</b>	<b>13.966</b>	<b>11.250</b>	<b>10.456</b>	<b>10.031</b>
<b>182-Day Treasury Bills</b>						
Date of Auction	28-Dec-23	27-Jun-24	31-Oct-24	28-Nov-24	5-Dec-24	11-Dec-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	23,241.04	10,416.04	6,763.58	3,084.86
Amount Accepted (KSh M)	322.85	1,479.67	5,783.01	4,208.53	6,707.74	3,084.86
Maturities (KSh M)	1,365.20	293.25	5,518.70	9,724.25	6,407.05	10,719.40
<b>Average Interest Rate (%)</b>	<b>15.967</b>	<b>16.764</b>	<b>14.523</b>	<b>11.338</b>	<b>10.549</b>	<b>10.002</b>
<b>364-Day Treasury Bills</b>						
Date of Auction	28-Dec-23	27-Jun-24	31-Oct-24	28-Nov-24	5-Dec-24	11-Dec-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	23,917.48	21,422.50	16,621.92	7,668.66
Amount Accepted (KSh M)	1,661.91	1,828.51	14,990.38	14,507.31	16,600.92	7,666.88
Maturities (KSh M)	1,858.45	1,679.00	978.25	2,102.30	774.65	655.65
<b>Average Interest Rate (%)</b>	<b>16.100</b>	<b>16.791</b>	<b>14.968</b>	<b>12.490</b>	<b>11.967</b>	<b>11.757</b>

Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions							
Date of Auction	17-Oct-24	6-Nov-24		13-Nov-24	4-Dec-24		13-Dec-24
	TAP	RE-OPEN		RE-OPEN	RE-OPEN		RE-OPEN
Tenor	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)

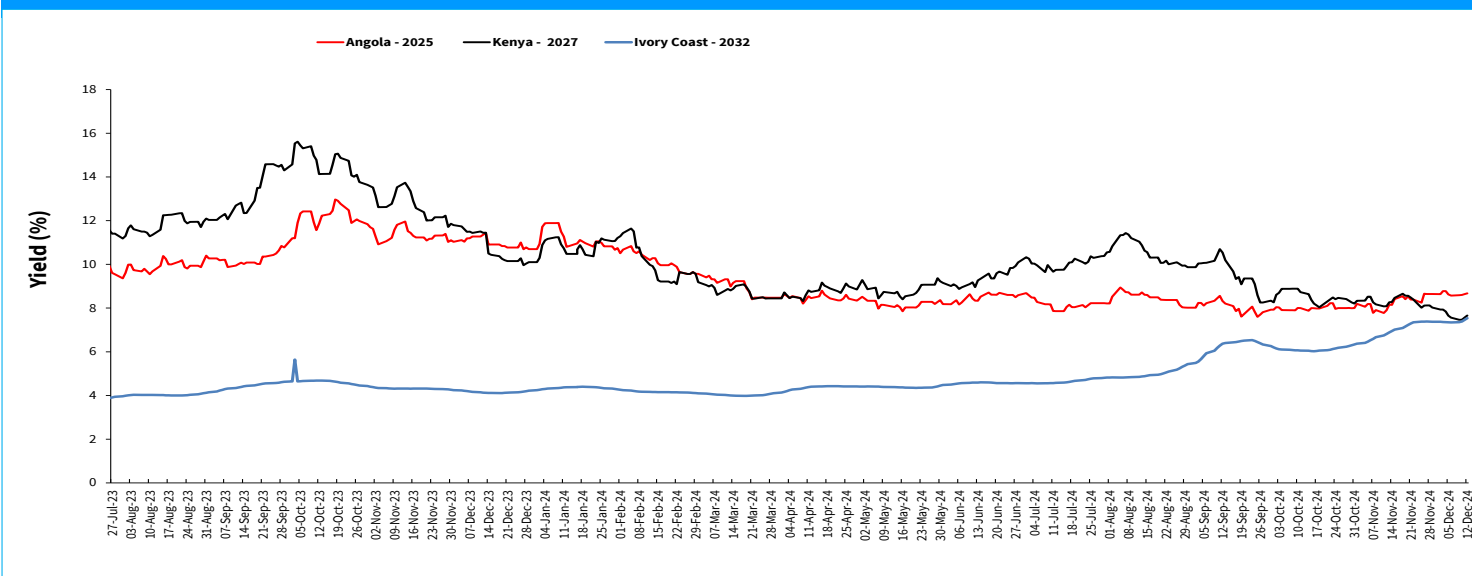
**Table 6: Performance of Key Market Indicators**

INDICATOR	NASI 100=2008	NSE 25 Share Index	NSE 20 Share Index 100=1996	Total Deals (Equity)	Total Shares Traded (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
29-Nov-24	111.53	3,063.32	1,861.35	1,457	23.81	336.45	1745.88	2263.00	8.025	8.641	9.806	9.783	9.733	10.085
2-Dec-24	112.74	3,088.21	1,866.73	1,491	25.19	296.97	1764.83	5676.20	7.932	8.642	9.774	9.755	9.684	10.069
3-Dec-24	112.07	3,069.79	1,835.01	1,459	24.21	174.50	1754.24	5446.15	7.933	8.597	9.743	9.727	9.685	10.069
4-Dec-24	112.27	3,068.53	1,827.72	1,355	11.18	184.15	1757.52	2947.95	7.84	8.552	9.649	9.644	9.586	10.005
5-Dec-24	114.31	3,116.54	1,823.17	1,406	74.32	1119.79	1789.36	11051.20	7.654	8.417	9.494	9.506	9.466	9.91
<b>Dec 29-5</b>	<b>114.3</b>	<b>3,116.54</b>	<b>1,823.2</b>	<b>7,168</b>	<b>159</b>	<b>2,112</b>	<b>1,789</b>	<b>27,385</b>	<b>7.654</b>	<b>8.417</b>	<b>9.494</b>	<b>9.506</b>	<b>9.466</b>	<b>9.91</b>
6-Dec-24	115.2	3,139.06	1,831.0	1,342	11.99	138.40	1803.48	13334.45	7.561	8.280	9.308	9.341	9.296	9.800
9-Dec-24	116.1	3,145.35	1,840.6	1,256	8.31	82.54	1817.38	4695.50	7.467	8.235	9.247	9.259	9.248	9.785
10-Dec-24	119.3	3,206.20	1,854.4	1,567	40.94	639.94	1867.85	6716.85	7.467	8.281	9.339	9.314	9.297	9.816
11-Dec-24	118.5	3,217.61	1,867.5	1,372	52.11	952.20	1854.84	9164.15	7.563	8.282	9.339	9.342	9.323	9.816
12-Dec-24	<b>Public Holiday</b>								7.661	8.377	9.400	9.426	9.398	9.847
<b>Dec 6-12</b>	<b>118.5</b>	<b>3,217.61</b>	<b>1,867.5</b>	<b>5,537</b>	<b>113</b>	<b>1,813</b>	<b>1,855</b>	<b>33,911</b>	<b>7.661</b>	<b>8.377</b>	<b>9.400</b>	<b>9.426</b>	<b>9.398</b>	<b>9.847</b>
<b>Weekly Changes (%)</b>	<b>3.66</b>	<b>3.24</b>	<b>2.43</b>	<b>-22.75</b>	<b>-28.58</b>	<b>-14.15</b>	<b>3.66</b>	<b>23.83</b>	<b>0.007*</b>	<b>-0.040*</b>	<b>-0.094*</b>	<b>-0.080*</b>	<b>-0.068*</b>	<b>-0.063*</b>

\* 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 7: Government Domestic Debt (KSh Billion)

	29-Dec-23	28-Jun-24	31-Jul-24	30-Sep-24	30-Oct-24	29-Nov-24	4-Dec-24	11-Dec-24
1. Treasury Bills (Excluding Repos)	546.90	615.89	651.89	712.45	760.13	834.73	842.21	857.84
<i>(As % of total securities)</i>	<b>11.35</b>	<b>11.75</b>	<b>12.32</b>	<b>12.96</b>	<b>13.66</b>	<b>14.71</b>	<b>14.84</b>	<b>15.05</b>
2. Treasury Bonds	4,271.82	4,627.12	4,637.89	4,785.63	4,802.76	4,840.35	4,831.79	4,843.53
<i>(As % of total securities)</i>	<b>88.65</b>	<b>88.25</b>	<b>87.68</b>	<b>87.04</b>	<b>86.34</b>	<b>85.29</b>	<b>85.16</b>	<b>84.95</b>
3. Total Securities (1+2)	4,818.72	5,243.01	5,289.78	5,498.08	5,562.89	5,675.08	5,674.00	5,701.37
4. Overdraft at Central Bank	94.13	61.02	60.53	0.00	28.63	31.77	31.77	31.77
5. Other Domestic debt*	137.26	106.25	103.06	103.64	103.69	101.95	101.95	101.95
<i>of which IMF funds on-lent to Government</i>	<b>104.24</b>	<b>83.54</b>	<b>82.61</b>	<b>82.63</b>	<b>82.63</b>	<b>81.08</b>	<b>81.08</b>	<b>81.08</b>
<b>6. Gross Domestic Debt (3+4+5)</b>	<b>5,050.11</b>	<b>5,410.28</b>	<b>5,453.37</b>	<b>5,601.71</b>	<b>5,695.22</b>	<b>5,808.80</b>	<b>5,807.73</b>	<b>5,835.09</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)

	29-Dec-23	28-Jun-24	31-Jul-24	30-Sep-24	30-Oct-24	29-Nov-24	4-Dec-24	11-Dec-24
Treasury bills (Excluding Repos)	10.83	11.38	11.95	12.72	13.35	14.37	14.50	14.70
Treasury bonds	84.59	85.52	85.05	85.43	84.33	83.33	83.20	83.01
Overdraft at Central Bank	1.86	1.13	1.11	0.00	0.50	0.55	0.55	0.54
Other domestic debt	2.72	1.96	1.89	1.85	1.82	1.76	1.76	1.75
<i>of which IMF fund on lent to government</i>	2.06	1.54	1.51	1.48	1.45	1.40	1.40	1.39
<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)**

	29-Dec-23	28-Jun-24	31-Jul-24	30-Sep-24	30-Oct-24	29-Nov-24	4-Dec-24	11-Dec-24
Banking Institutions	46.07	45.12	45.12	44.38	45.09	45.36	45.34	45.26
Insurance Companies	7.23	7.23	7.21	7.22	7.20	7.15	7.14	7.21
Parastatals	5.47	5.13	5.08	5.35	5.45	5.43	5.43	5.60
Pension Funds*	29.93	29.60	29.39	29.44	29.16	28.94	28.90	28.83
Other Investors	11.30	12.92	13.19	13.60	13.11	13.13	13.19	13.10
<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	Jun-24	Sep-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	5,601.71
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	40.16
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	5,188.37
<b>Public debt (KSh Bn)</b>	<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>	<b>10,790.08</b>

\* Provisional

Source: The National Treasury and Central Bank of Kenya