



Central Bank of Kenya

Weekly Bulletin

November 15, 2024



RECENT MONETARY AND FINANCIAL DEVELOPMENTS

Exchange Rates

The Kenya Shilling remained stable against major international and regional currencies during the week ending November 14. It exchanged at KSh 129.35 per US dollar on November 14, compared to KSh 129.20 per US dollar on November 7 (**Table 1**).

Foreign Exchange Reserves

The usable foreign exchange reserves remained adequate at USD 9,276 million (4.8 months of import cover) as of November 14. This meets the CBK's statutory requirement to endeavour to maintain at least 4 months of import cover (**Table 2**).

Remittances

Remittance inflows in October 2024 totalled USD 437.2 million compared to USD 355.6 million in October 2023, an increase of 22.9 percent (**Chart 1**). The cumulative inflows for the 12 months to October 2024 increased by 15.3 percent to USD 4,804 million compared to USD 4,165 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 53.7 percent in October 2024.

Money Market

Liquidity in the money market remained adequate during the week ending November 14, supported by open market operations. Commercial banks' excess reserves stood at KSh 44.9 billion in relation to the 4.25 percent cash reserves requirement (CRR). The average interbank rate was 11.87 percent on November 14 compared to 12.09 percent on November 7. During the week, the average number of interbank deals decreased to 33 from 61 in the previous week, while the average value traded decreased to KSh 27.5 billion from KSh 54.8 billion in the previous week (**Table 3**).

Government Securities Market

The Treasury bill auction of November 14 received bids totalling KSh 95.5 billion against an advertised amount of KSh 24.0 billion, representing a performance of 398.1 percent. Interest rate on the 91-day, 182-day, and 364-day Treasury bills declined (**Table 4**).

During the Treasury bond auction of November 13, the reopened 10-year fixed rate Treasury bond received bids totalling KSh 55.6 billion against an advertised amount of KSh 20.0 billion, representing a performance of 277.9 percent (**Table 5**).

Equity Market

At the Nairobi Securities Exchange, the NASI, NSE 25 and NSE 20 share price indices increased by 0.02 percent, 0.74 percent, and 1.17 percent respectively during the week ending November 14. During the same period, Market capitalization increased by 0.02 percent while equity turnover and total shares traded decreased by 27.6 percent and 6.5 percent, respectively (**Table 6**).

Bond Market

Bond turnover in the domestic secondary market increased by 2.9 percent during the week ending November 14 (**Table 6**). In the international market, yields on Kenya's Eurobonds on average increased by 6.4 basis points. The yield on the 10-year Eurobond for Angola increased while that of Zambia remained stable (**Chart 3**).

Global Trends

Inflation in advanced economies was in line with expectation during the week ending November 14, 2024. The US inflation rose slightly to 2.6 percent in October from 2.4 percent in September. The US dollar index strengthened by 2.06 percent against a basket of major currencies during the week ending November 14, 2024.

International oil prices declined during the week ending November 14, amid weak demand in China and concerns of potential oversupply. The price of Murban oil declined to USD 73.37 on November 14, 2024, compared to USD 75.66 on November 7, 2024.

Table 1: Kenya Shilling Exchange Rates

	USD	Sterling Pound	Euro	100 Japanese Yen	Uganda Shilling*	Tanzania Shilling*	Rwandese Franc*	Burundi Franc*
1-Nov-24	Public Holiday							
4-Nov-24	129.19	167.87	140.78	85.07	28.33	20.86	10.53	22.49
5-Nov-24	129.20	167.45	140.54	84.73	28.33	20.82	10.51	22.49
6-Nov-24	129.20	166.63	138.98	84.12	28.42	20.86	10.51	22.49
7-Nov-24	129.20	167.00	138.78	83.74	28.48	21.09	10.52	22.84
Nov 4-7	129.20	167.24	139.77	84.42	28.39	20.91	10.52	22.58
8-Nov-24	129.21	167.56	139.34	84.51	28.40	20.82	10.52	22.85
11-Nov-24	129.23	166.90	138.50	84.21	28.32	20.66	10.52	22.85
12-Nov-24	129.21	166.28	137.53	83.96	28.35	20.59	10.61	22.85
13-Nov-24	129.25	165.48	137.31	83.67	28.43	20.58	10.62	22.85
14-Nov-24	129.35	164.80	137.44	83.46	28.37	20.56	10.61	22.83
Nov 8-14	129.25	166.20	138.02	83.96	28.38	20.64	10.58	22.84

*Units of currency per Kenya Shilling

Source: Central Bank of Kenya

Table 2: Usable Foreign Exchange Reserves (USD Million)

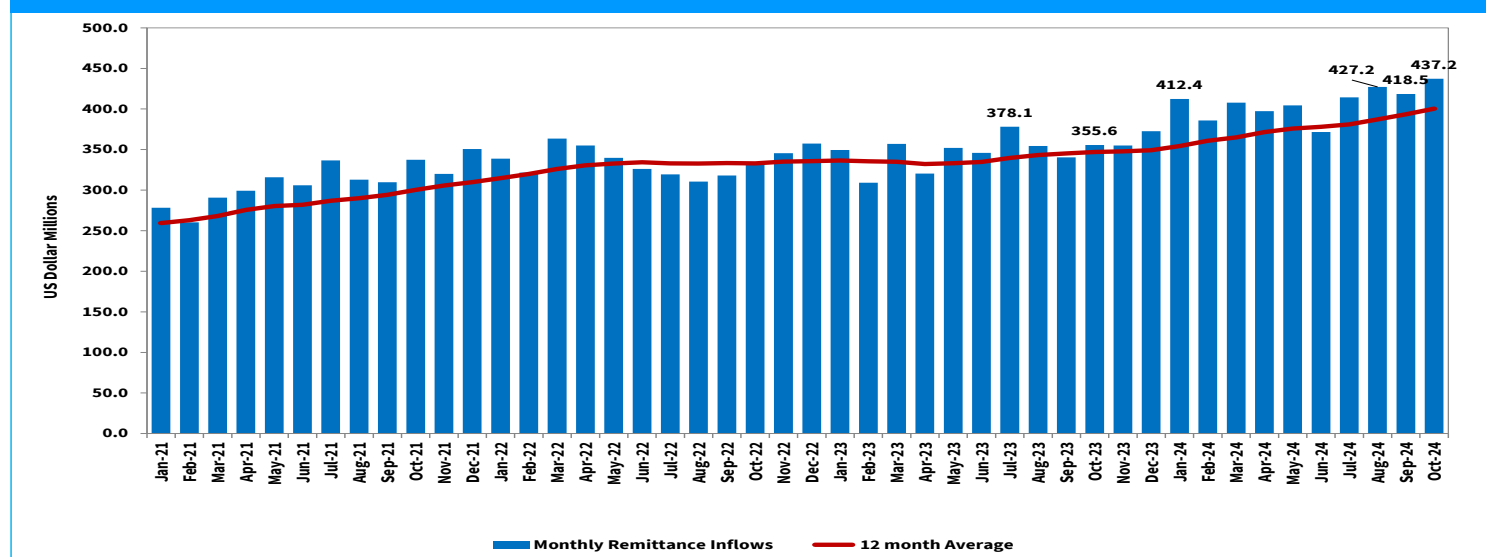
	17-Oct-24	24-Oct-24	31-Oct-24	7-Nov-24	14-Nov-24
1. CBK Usable Foreign Exchange Reserves (USD Million)*	8,491	8,496	8,586	9,323	9,276
2. CBK Usable Foreign Exchange Reserves (Months of Import Cover)**	4.4	4.4	4.4	4.8	4.8

*Excludes encumbered reserves

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

Source: Central Bank of Kenya

Chart 1: Monthly Remittance Inflows (USD Million)



Source: Central Bank of Kenya

Table 3: Money Market

Date	Number of Deals	Value (KSh M)	Average Interbank Rate (%)
1-Nov-24	Public Holiday		
4-Nov-24	66	62,180.00	12.06
5-Nov-24	69	55,329.00	12.07
6-Nov-24	53	47,030.00	12.08
7-Nov-24	56	54,750.00	12.09
Nov 4-7	61	54,822.25	12.07
8-Nov-24	61	56,650.00	12.08
11-Nov-24	33	29,980.00	12.13
12-Nov-24	28	16,790.00	12.10
13-Nov-24	23	17,390.00	12.01
14-Nov-24	20	16,800.00	11.87
Nov 8-14	33	27,522.00	12.04

Source: Central Bank of Kenya

Table 4: Performance of Treasury Bill Auctions

91-Day Treasury Bills						
Date of Auction	27-Jun-24	29-Aug-24	26-Sep-24	31-Oct-24	7-Nov-24	14-Nov-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)	4,361.03	17,496.40	6,919.23	15,007.98	27,444.84	30,388.12
Amount Accepted (KSh M)	2,745.34	16,953.43	3,370.90	7,366.03	10,575.43	4,098.02
Maturities (KSh M)	3,922.10	18,029.30	2,377.75	13,721.90	8,809.70	10,812.95
Average Interest Rate (%)	15.977	15.784	15.718	13.966	13.450	12.791
182-Day Treasury Bills						
Date of Auction	27-Jun-24	29-Aug-24	26-Sep-24	31-Oct-24	7-Nov-24	14-Nov-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)	1,494.42	4,451.13	5,437.90	23,241.04	42,779.62	32,333.33
Amount Accepted (KSh M)	1,479.67	4,443.43	3,330.51	5,783.01	22,941.17	14,094.09
Maturities (KSh M)	293.25	2,088.35	2,144.40	5,518.70	20,939.20	19,146.45
Average Interest Rate (%)	16.764	16.633	16.589	14.523	13.840	13.059
364-Day Treasury Bills						
Date of Auction	27-Jun-24	29-Aug-24	26-Sep-24	31-Oct-24	7-Nov-24	14-Nov-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)	1,833.64	2,254.39	8,567.15	23,917.48	28,148.47	32,817.54
Amount Accepted (KSh M)	1,828.51	2,248.06	5,764.78	14,990.38	20,226.70	24,811.62
Maturities (KSh M)	1,679.00	567.65	522.70	978.25	6,274.90	3,304.05
Average Interest Rate (%)	16.791	16.842	16.800	14.968	14.448	13.899

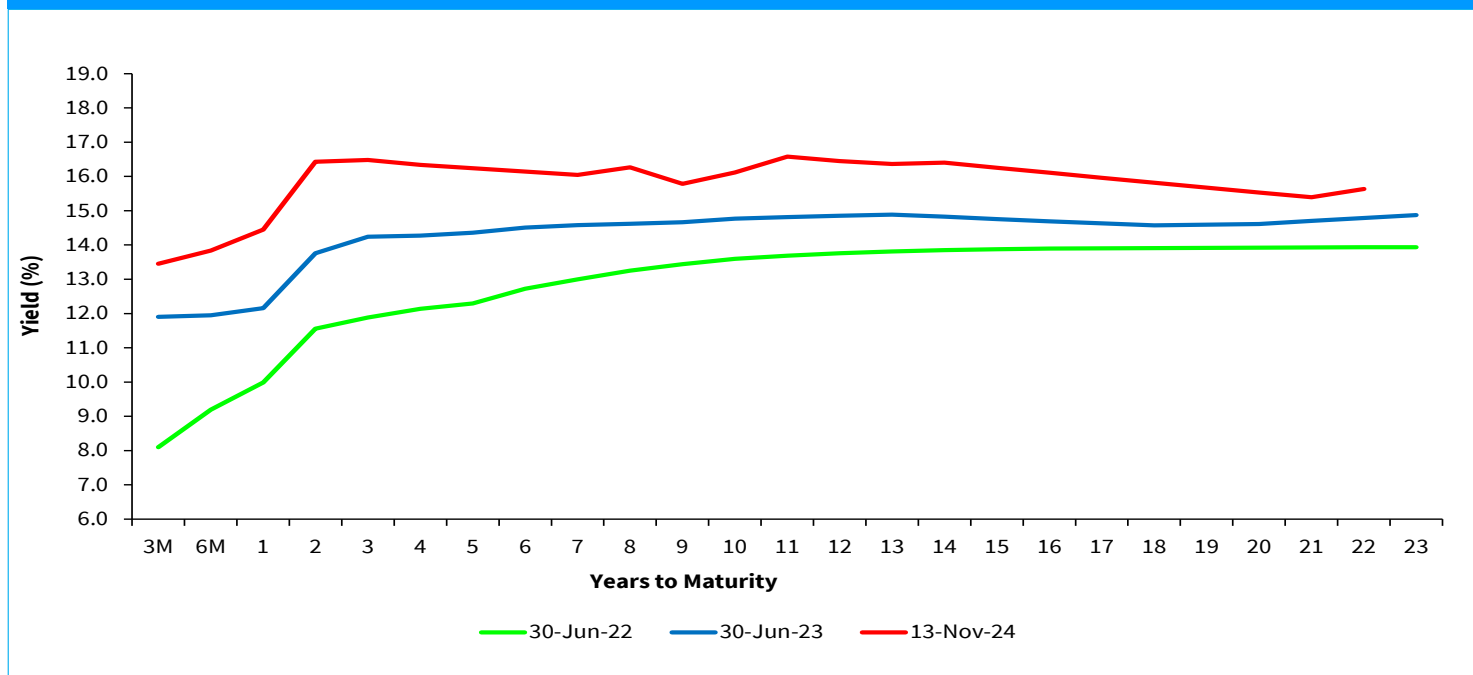
Source: Central Bank of Kenya

Table 5: Performance of Treasury Bond Auctions

Date of Auction	18-Sep-24		09-Oct-24		17-Oct-24	06-Nov-24		13-Nov-24
	RE-OPEN		RE-OPEN		TAP	RE-OPEN		RE-OPEN
Tenor	FXD1/ 2024/010	FXD1/ 2016/020	FXD1/ 2016/010	FXD1/ 2022/010	FXD1/ 2022/010	FXD1/ 2023/010	FXD1/ 2022/015	FXD1/ 2024/010
Amount offered (KSh M)	30,000.00		30,000.00		15,000.00	25,000.00		20,000.00
Bids received (KSh M)	13,396.00	9,246.10	36,615.53	14,349.29	16,497.15	16,331.02	16,717.40	55,575.58
Amount Accepted (KSh M)	11,565.37	7,711.12	28,026.11	3,251.00	15,092.95	10,286.04	15,397.04	30,515.91
Maturities (KSh M)								
Average interest Rate (%)	16.87	17.29	16.98	16.95	16.95	15.97	16.30	15.86

Source: Central Bank of Kenya

Chart 2: Government Securities Yield Curve



Source: Nairobi Securities Exchange (NSE)

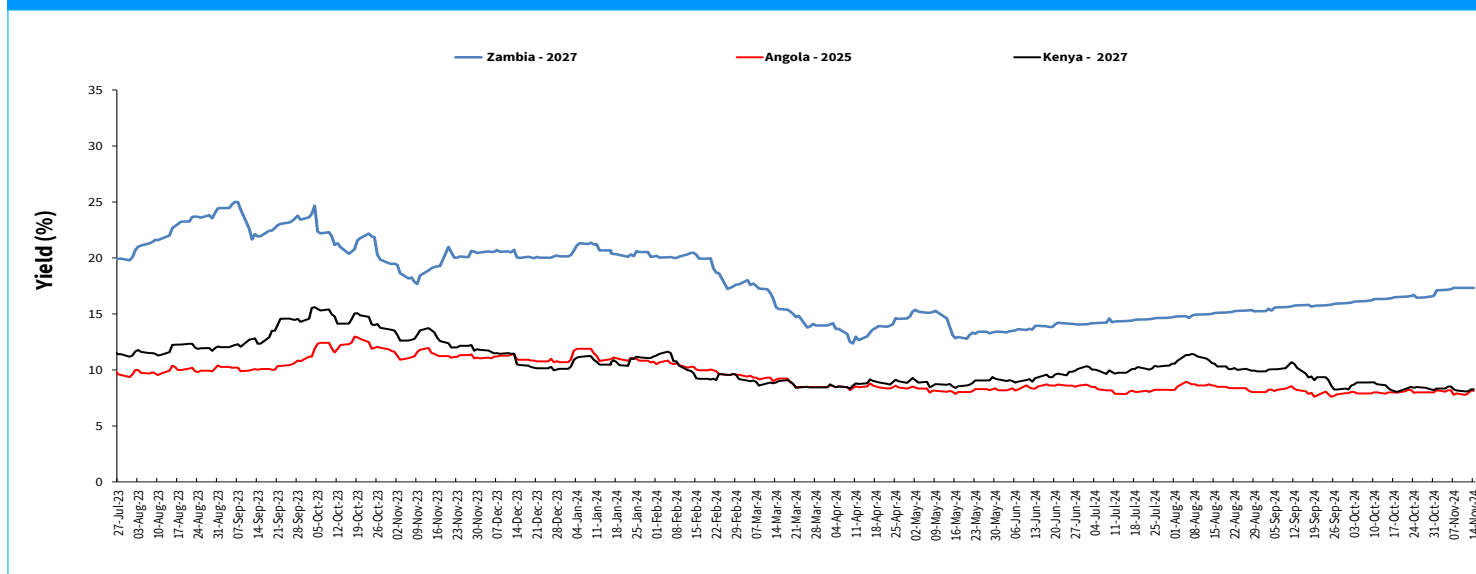
Table 6: Performance of Key Market Indicators

INDICATOR	NASI 100=2008	NSE 25 Share Index	NSE 20 Share Index 100=1996	Total Deals (Equity)	Total Shares Traded (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
1-Nov-24	Public Holiday								8.334	9.068	9.898	9.934	9.809	10.215
4-Nov-24	116.99	3171.57	1,896.47	1,983.00	15.10	251.80	1,831.36	8,012.50	8.337	9.070	9.867	9.935	9.810	10.215
5-Nov-24	116.76	3181.84	1,910.44	2,011.00	28.88	580.38	1,827.75	6,201.50	8.522	9.163	9.992	9.992	9.886	10.248
6-Nov-24	116.60	3183.46	1,907.66	1,684.00	11.15	146.51	1,825.27	5,917.30	8.525	9.211	10.024	10.021	9.913	10.298
7-Nov-24	115.34	3178.31	1,910.49	1,738.00	28.11	298.61	1,805.47	2,294.85	8.261	8.986	9.867	9.883	9.765	10.182
Nov 1-7	115.34	3178.31	1,910.49	7,416.00	83.23	1,277.30	1,805.47	22,426.15	8.261	8.986	9.867	9.883	9.765	10.182
8-Nov-24	115.59	3187.43	1,927.51	1,464.00	9.91	322.03	1809.49	3746.55	8.172	8.941	9.836	9.799	9.691	10.133
11-Nov-24	115.06	3183.23	1,926.33	1,705.00	16.18	96.98	1801.16	2972.35	8.080	8.895	9.805	9.771	9.691	10.117
12-Nov-24	115.20	3195.87	1,929.70	1,638.00	22.87	139.42	1803.30	7722.80	8.083	9.034	9.993	9.912	9.817	10.199
13-Nov-24	115.68	3212.40	1,937.50	1,416.00	12.87	204.51	1810.85	3378.20	8.269	9.035	10.025	9.941	9.843	10.232
14-Nov-24	115.36	3201.87	1,932.75	1,563.00	15.98	161.83	1805.82	5249.35	8.276	9.039	9.993	9.944	9.845	10.232
Nov 8-14	115.36	3201.87	1,932.75	7,786.00	77.81	924.76	1,805.82	23,069.25	8.276	9.039	9.993	9.944	9.845	10.232
Weekly Changes (%)	0.02	0.74	1.17	4.99	-6.51	-27.60	0.02	2.87	0.015*	0.053*	0.126*	0.061*	0.080*	0.050*

* Percentage points

Source: Nairobi Securities Exchange (NSE) and Thomson Reuters

Chart 3: 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	28-Aug-24	25-Sep-24	30-Oct-24	6-Nov-24	13-Nov-24
1. Treasury Bills (Excluding Repos)	546.90	615.89	651.89	673.95	703.76	760.13	770.76	793.16
<i>(As % of total securities)</i>	11.35	11.75	12.32	12.47	12.82	13.66	13.83	14.10
2. Treasury Bonds	4,271.82	4,627.12	4,637.89	4,729.22	4,785.62	4,802.76	4,802.76	4,831.53
<i>(As % of total securities)</i>	88.65	88.25	87.68	87.53	87.18	86.34	86.17	85.90
3. Total Securities (1+2)	4,818.72	5,243.01	5,289.78	5,403.17	5,489.38	5,562.89	5,573.52	5,624.69
4. Overdraft at Central Bank	94.13	61.02	60.53	49.43	63.36	28.63	46.23	94.72
5. Other Domestic debt*	137.26	106.25	103.06	103.07	104.73	103.69	103.74	103.75
<i>of which IMF funds on-lent to Government</i>	104.24	83.54	82.61	82.61	83.52	82.63	82.63	82.63
6. Gross Domestic Debt (3+4+5)	5,050.11	5,410.28	5,453.37	5,555.66	5,657.47	5,695.22	5,723.49	5,823.16

* 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	28-Aug-24	25-Sep-24	30-Oct-24	6-Nov-24	13-Nov-24
Treasury bills (Excluding Repos)	10.83	11.38	11.95	12.13	12.44	13.35	13.47	13.62
Treasury bonds	84.59	85.52	85.05	85.12	84.59	84.33	83.91	82.97
Overdraft at Central Bank	1.86	1.13	1.11	0.89	1.12	0.50	0.81	1.63
Other domestic debt	2.72	1.96	1.89	1.86	1.85	1.82	1.81	1.78
<i>of which IMF fund on lent to government</i>	2.06	1.54	1.51	1.49	1.48	1.45	1.44	1.42
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)

	29-Dec-23	28-Jun-24	31-Jul-24	28-Aug-24	25-Sep-24	30-Oct-24	6-Nov-24	13-Nov-24
Banking Institutions	46.07	45.12	45.12	44.81	45.00	45.09	45.34	45.80
Insurance Companies	7.23	7.23	7.21	7.20	7.15	7.20	7.18	7.12
Parastatals	5.47	5.13	5.08	5.34	5.30	5.45	5.43	5.38
Pension Funds*	29.93	29.60	29.39	29.14	29.12	29.16	29.03	28.82
Other Investors	11.30	12.92	13.19	13.50	13.43	13.11	13.02	12.88
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

	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)	8,206.74	8,579.06	9,145.98	10,278.67	10,585.27	11,139.69	10,398.61	10,438.19	10,561.12

* Provisional

Source: The National Treasury and Central Bank of Kenya