# FUSION AFRICAN MONITOR

Current news and analysis from Sub-Saharan money markets July 2013

FUSION INVESTMENT MANAGEMENT
Rooted in the African growth story

## HIGHLIGHTS

### Key Movements in Fixed Income and Currency Markets in June 2013

- Yields on most **Kenyan** bonds continued to decline in June 2013 owing to substantial demand for Kenyan bonds. Bond turnover in Kenya almost doubled in June 2013 compared with that of March. (More on page 5)
- **Nigerian** bond yields across maturities rose in June 2013 as offshore investors reduced their holding of Nigerian debt in favour of better yield bonds in other markets. (More on page 5)
- In currency markets, all major currencies depreciated against the US dollar. The **Kenyan** shilling and **Nigerian** naira depreciated due to profit booking by foreign investors in capital markets. Moreover, the **Tanzanian** shilling hit an 18-month low, while the **Ghanaian** cedi continued to depreciate. The fall can be primarily ascribed to a strong dollar demand from importers in these markets. (More on pages 7 and 8)
- In money markets, 3-month treasury yields fell in **Kenya** due to increased demand relative to supply. In **Nigeria** and **Uganda**, interbank rates remained volatile in June 2013. (More on page 6)

**June bond market summary**

| | 3-yr | 5-yr | 10-yr | 20-yr |
|---|---|---|---|---|
| *Kenya 24-June yield* | 10.6% | 11.5% | 12.0% | 12.6% |
| *Change from 1-June (bps)* | -58 | -26 | 42 | -16 |
| *Nigeria 24-June yield* | 13.9% | 13.9% | 14.0% | 13.3% |
| *Change from 1-June (bps)* | 159 | 193 | 153 | 75 |

**Movement of key currencies vs. US dollar in June**

| | Average | End value | MTD | YTD |
|---|---|---|---|---|
| *Kenyan Shilling* | 85.4 | 86.2 | -1.1% | 0.2% |
| *Tanzanian Shilling* | 1,636.3 | 1,636.0 | -0.1% | -3.1% |
| *Nigerian Naira* | 159.8 | 159.4 | -0.8% | -2.0% |
| *Ghanaian Cedi* | 2.00 | 2.01 | -1.6% | -5.4% |

### Kimondo's Corner

**EAC Budget Deficit - An appealing investment option?**

- East Africa Community governments, this month, unveiled their budgets of USD 18.7 bn, USD 11.2 bn, USD 5.1 bn and USD 2.5 bn for Kenya, Tanzania, Uganda and Rwanda respectively.
- The budget deficit, which stand at USD 3.9 bn, USD 1.8 bn, USD 4.3 bn and USD 1 bn for Kenya, Uganda, Tanzania and Rwanda respectively will be financed by raising more taxes and issuance of debt.
- With one year bond yielding over 12% in Tanzania, Uganda and Rwanda, the rates are appealing.
- For Kenya, the yield of the one year bond, currently at 8%, appears to have bottomed out and is expected to rise as the government borrows aggressively to fund the deficit while the rates are still low.

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### Fusion Portfolio Management Service

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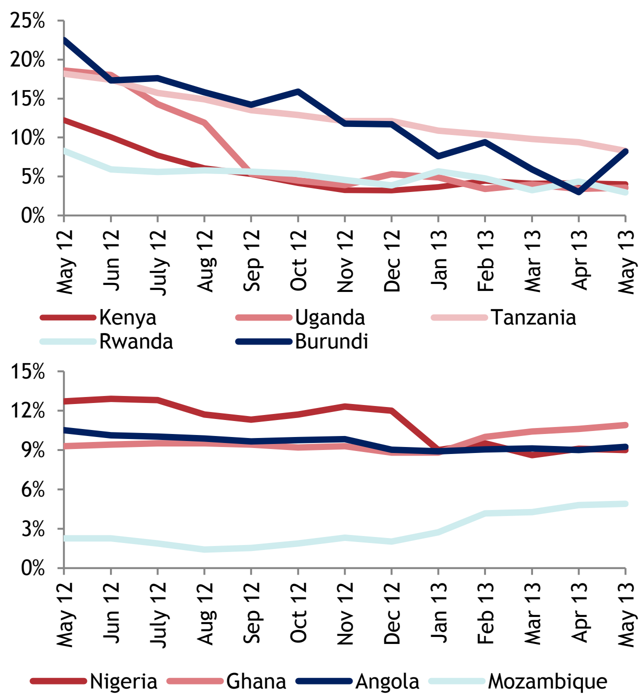
*Source: Bloomberg, individual news websites*

# HIGHLIGHTS

## Activity Across Africa: Economy and Politics

- On 13 June 2013, four countries in East Africa, namely **Kenya, Uganda, Tanzania** and **Rwanda,** announced their budgets for 2013–14. The highlight of the deficit budgets was increased public expenditure, supported by higher domestic tax revenue and lower reliance on external aid. (More on page 3)
- In East Africa, **Uganda** and **Rwanda** cut their monetary policy rates by 100 bps and 50 bps to 11% and 7%, respectively. **Mozambique** reduced its rates to 9% (50 bps cut) owing to recovery in food output, while the Bank of **Ghana** increased its rates by 100 bps to 16%, citing inflationary concerns. (More on pages 3 and 4)
- In **Nigeria,** the government plans to reduce funding cost by increasing the proportion of cheaper overseas debt to 40% in the next three to five years from the current 12%. (More on page 4)
- In **Ghana,** in order to restrict its fiscal deficit to the targeted 9% of GDP, the government scrapped fuel subsidies, which resulted in prices of petroleum products increasing. (More on page 4)

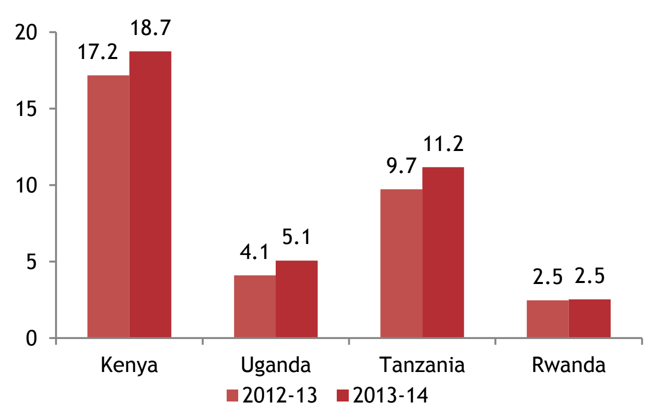
### Inflation (YoY)




## The East African Budget 2013-14

- In June 2013, the budgets of **Kenya, Uganda, Tanzania** and **Rwanda** were announced; the budgets remained expansionary despite foreign aid cuts.
- The key theme across the budgets remained revenue mobilisation, with every nation taking measures to broaden their tax base, modernise tax laws, and increase tax rates on existing products as well as services rendered.
- Infrastructure is likely to remain the key expenditure for these countries. As infrastructure development in **Uganda** resulted in economic growth for the nation, **Kenya** also plans to focus more on infrastructure investment to augment its growth.
- The extent to which the budget will be executed, however, remains a cause for concern. Businesses are apprehensive about the Kenyan government's proposal to reinstate capital gain tax. The government has delayed the implementation to allow deliberations.

### Budget expenditure (USD bn)




*Source: Bloomberg, individual news websites, respective central banks*

# ACTIVITY ACROSS AFRICA: ECONOMY AND POLITICS

## East African Community

### Kenya

- Kenya presented the 2013–14 deficit budget of KES 329.7 bn (USD 3.9 bn) to the parliament with a total expenditure of KES 1.6 tn (USD 18.8 bn). After excluding domestic debt rollover and factoring in external debt redemption as a financing item, the remaining KES 1.4 tn (USD 16.4 bn) of expenditure is expected to be funded by estimated tax revenues of KES 1.0 tn (USD 11.7 bn), net foreign financing of KES 223 bn (USD 2.6 bn) and domestic financing of KES 107 bn (USD 1.3 bn).

### Uganda

- Uganda's 2013–14 budget includes UGX 13,169 bn (USD 5.1 bn) of expenditure to be funded from domestic sources (81%) and external loans & grants.
- Uganda's central bank reduced its policy rate by 100 bps to 11.0% due to easing inflation, weaker-than-estimated household consumption and stronger-than-expected local currency.

### Tanzania

- The Tanzanian 2013-14 budget, which provided for an expenditure of over TZS 18.2 tn (USD 11.2 bn) to be funded by a TZS 11.2 tn (USD 6.8 bn) revenue from domestic sources and the remaining from borrowings & grants, was approved in the parliament.
- Inflation in Tanzania fell to a two-year low to 8.3% YoY in May 2013 from 9.4% in April, primarily due to a decrease in the pace of growth of commodity prices.

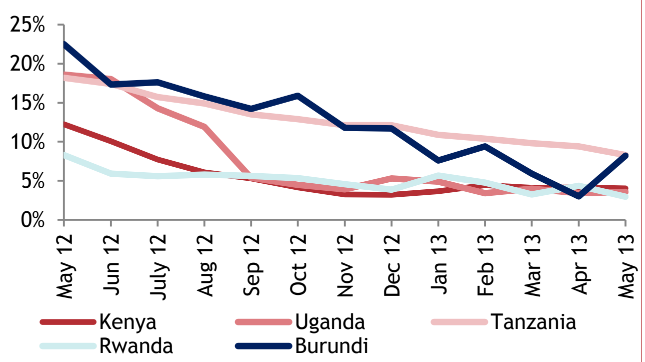
### Rwanda

- Rwanda's 2013–14 budget provided for a total revenues of RWF 1,653 billion (USD 2.5 bn); 60.2% would be generated from domestic sources. While recurring expenditure is estimated at RWF 735.7 bn (USD 1.1 bn), development expenditure is estimated at RWF 802.7 bn (USD 1.2 bn).
- Rwanda's central bank cut its policy rate by 50 bps to 7.0% to boost lending in the private sector.

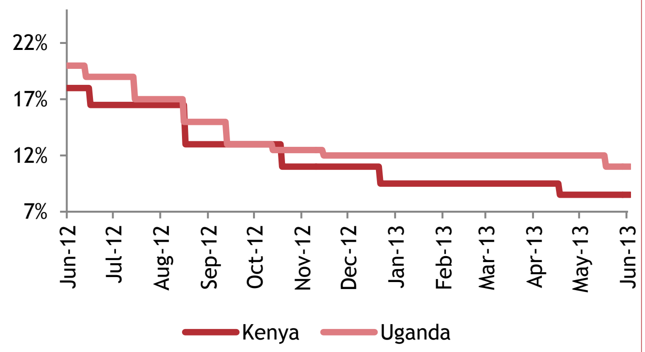
### Burundi

- The UN criticised the Burundi media law passed in June 2013, which forbids reporting on matters that could undermine the country's security, public order or economy.

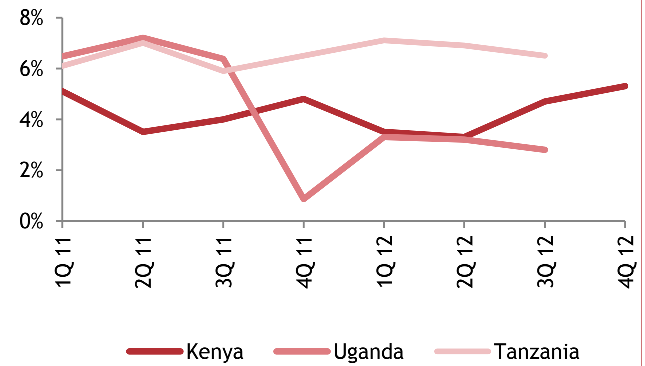
### Inflation (YoY)




### Key central banks' rate moves




### GDP growth in Kenya, Uganda and Tanzania (YoY)




*Source: Bloomberg, individual news websites, respective central banks*

# ACTIVITY ACROSS AFRICA: ECONOMY AND POLITICS

## Rest of Sub-Saharan Africa

### Nigeria

- Nigeria plans to reduce its funding costs by raising lower amount of high-cost domestic debt while simultaneously increasing the proportion of cheaper overseas debt. In the next three to five years, overseas debt is expected to constitute 40% of total Nigerian debt compared with the current 12%.
- Nine students were killed in an attack by Boko Haram Islamists on a school in Nigeria. Earlier in June 2013, a similar attack by the militants had resulted in the death of 11 people. While the government aims to end the offensive Islamist insurgency, more than 9,000 people have already fled the country.

### Angola

- Angola reported inflation at 9.3% YoY in May 2013 compared with 9.0% in April. The central bank kept the rate unchanged at 10% for the fourth month in a row.

### Ghana

- The government scrapped fuel subsides to achieve its 2013 deficit target of 9% of GDP. Fiscal deficit in 2012 reached 12.1% of GDP (almost double the target of 6.7% of GDP).
- The Bank of Ghana increased its monetary policy rates by 100 bps to 16% despite admitting credit squeeze in the private sector. The increase in the rate was primarily to contain the risks associated with inflation.
- The Supreme Court of Ghana decided to meet on 26 June 2013 after KPMG presented its report to the court on the audit of pink sheets, which earlier served as evidence challenging the results of the 2012 presidential elections.

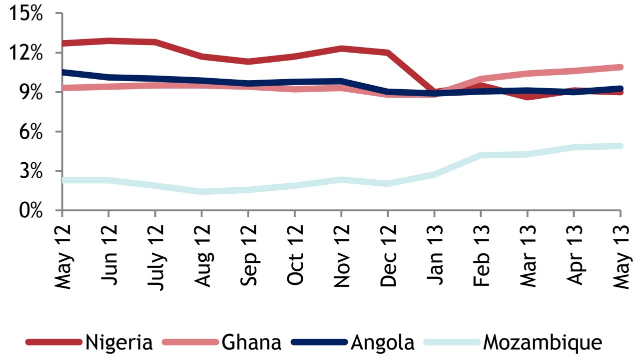
### Mozambique

- Mozambique's central bank reduced its policy rate by 50 bps to 9.0% in June 2013, the first reduction in the last seven months. A recovery in food output after the recent floods and a strong currency are likely to keep inflation under control.

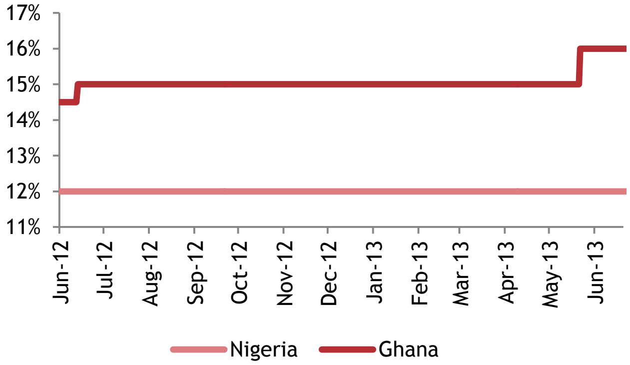
### Ivory Coast

- International Criminal Court (ICC) postponed the trial against former president Laurent Gbagbo (charged with crimes against humanity) until November 2013, citing lack of evidence.

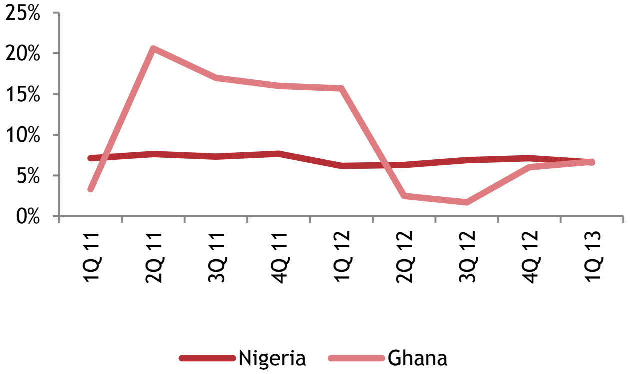
**Inflation (YoY)**




**Key central banks' rate moves**




**GDP growth in Nigeria and Ghana (YoY)**




*Source: Bloomberg, individual news websites, respective central banks*

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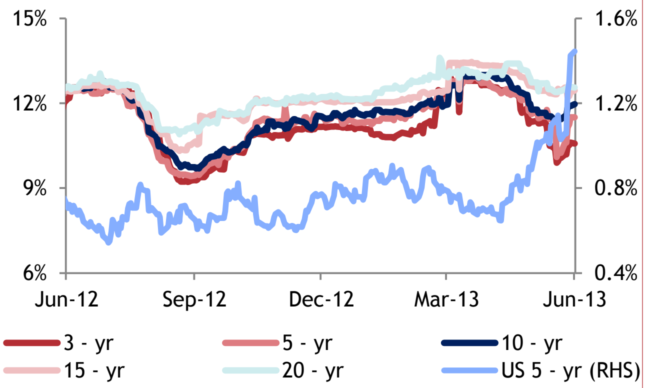
# ACTIVITY ACROSS AFRICA: BOND MARKETS

## Kenya

- Kenya is likely to raise KES 85 bn (USD 1 bn) through its first Eurobond issue by the end of September 2013 to fund the budget deficit. The issue would also be included in the JP Morgan Bond Index, thereby exposing the bond to global investors and creating more liquidity for the Kenyan bond.
- In June, yields on most Kenyan bonds declined, with 3-year and 5-year bond yields dropping the most (by 58 and 26 bps) to 10.6% and 11.5%, respectively. Analysts expect the high demand for Kenyan debt to continue as the government reversed its stance on the proposed implementation of capital gain tax. This is likely to result in further lowering of yields in the coming auctions
- The FTSE NSE Kenyan Shilling Government Bond Index rose 2.3% MTD in June 2013 as bond trading improved; bond turnover in June 2013 doubled compared with that of March. On a YTD basis, the index is down 1.6%.

### Bond yields daily movement



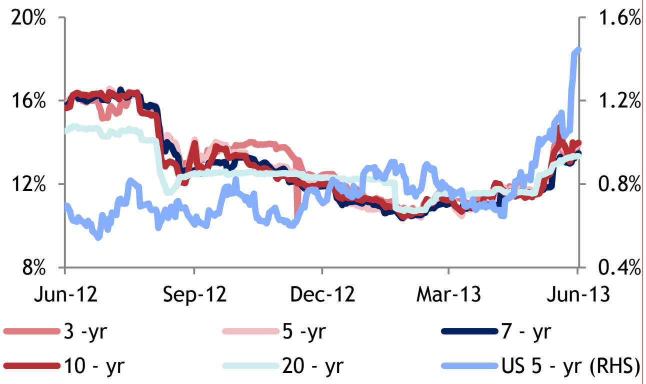

### Summary statistics

| | 3-yr | 5-yr | 10-yr | 15-yr | 20-yr |
|---|---|---|---|---|---|
| *24-June yield* | 10.6% | 11.5% | 12.0% | 12.5% | 12.6% |
| *Chg from 1-June (bps)* | -58 | -26 | 42 | -10 | -16 |
| *Chg from 1-Jan (bps)* | -59 | 0 | 44 | 38 | 36 |

## Nigeria

- As anticipated, yields on Nigerian bonds rose in June 2013, as offshore investors reduced the holding of their debt in favour of other markets. Yields on Nigerian bonds rose across maturities with 5-year and 7-year bond yields increasing the most (by 193 and 162 bps) to 13.9% and 13.5%, respectively.
- In tandem with the current yield in the secondary market, investors demanded a similar yield for Nigerian bonds during the 13 June 2013 issue. However, the debt management office was not willing to go beyond a certain level; this resulted in only a quarter of the planned number of bonds being sold.
- Yield on the Nigerian dollar-denominated debt due 2021 increased to 5.5%, the highest since 15 August 2012. The increase was primarily a reaction to the Fed's comments to reduce bond purchases going forward and its probable decision to end the quantitative easing programme by 2014.
- The Access Bank FGN Bond Index remained flat on a MTD basis. So far, this year, the index has shed 3.0%.

### Bond yields daily movement




### Summary statistics

| | 3-yr | 5-yr | 7-yr | 10-yr | 20-yr |
|---|---|---|---|---|---|
| *24-June yield* | 13.9% | 13.9% | 13.5% | 14.0% | 13.3% |
| *Chg from 1-June (bps)* | 159 | 193 | 162 | 153 | 75 |
| *Chg from 1-Jan (bps)* | 157 | 235 | 174 | 228 | 104 |

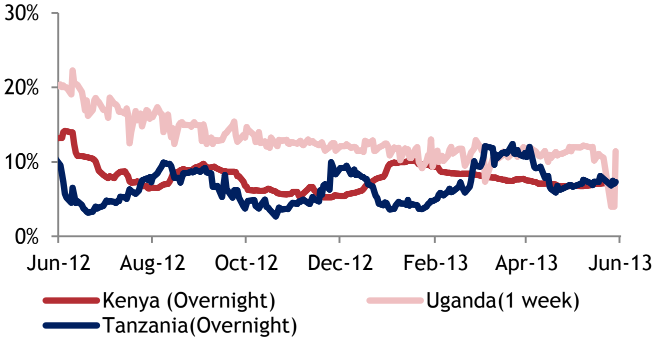
*Source: Bloomberg, individual news websites*

# MONEY MARKETS

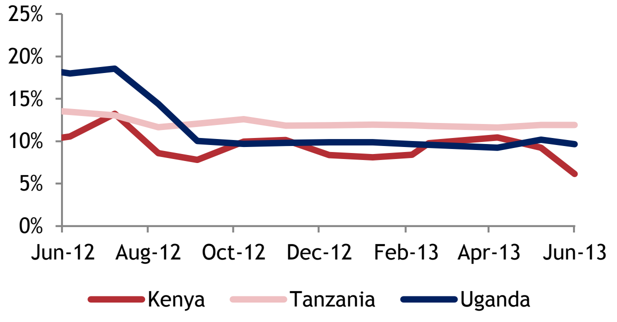
## East African Community

- In Kenya, 3-month treasury yields fell to 5.4% in June 2013 as demand for the paper outstripped supply. Additionally, the Central Bank of Kenya intended to mop up KES 1 bn (USD 11.7 mn) to remove excess liquidity from the market.

### Interbank rates




### 91-day/3-month T-bills (monthly average)




### 3-month currency deposit and T-bill rates (June 2013)

| | Kenya | Tanzania | Uganda |
|---|---|---|---|
| ***3-m curr dep*** | 5.4% | 11.8% | 10.9% |
| ***91-d/3-m T-bill*** | 6.1% | 11.9% | 9.6% |

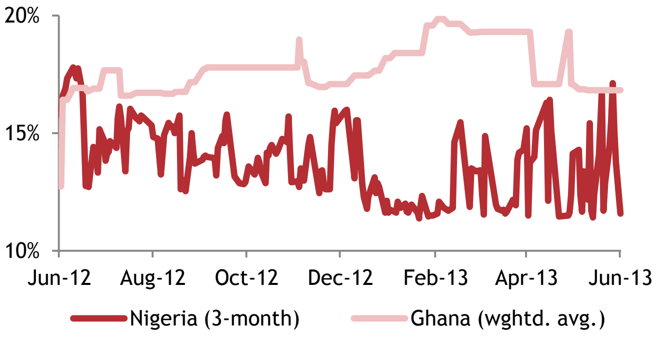
### Policy and average interbank rates (June 2013)

| | Kenya (o) | Tanzania (1-w) | Uganda (o) |
|---|---|---|---|
| ***Policy*** | 8.5% | 12.0% | 11.0% |
| ***Interbank*** | 7.5% | 7.3% | 11.4% |

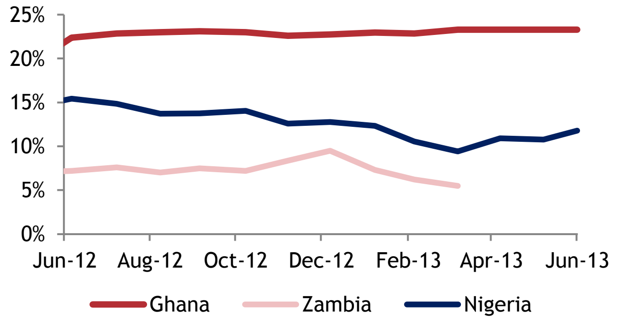
## Rest of Sub-Saharan Africa

- On 21 June 2013, Nigerian Interbank Offered Rates (NIBOR) dropped to 11.6% as NGN 160 bn (USD 990 mn) were repaid on account of maturity of treasury bills. This created liquidity in the money market and pushed down the cost of borrowing among lenders. Earlier in June, NIBOR had increased to 17.1% due to shortage of funds in the interbank market.

### Interbank rates




### 91-day/3-month T-bills (monthly average)




### 3-month currency deposit and T-bill rates (June 2013)

| | Nigeria | Ghana | Zambia |
|---|---|---|---|
| ***3-m curr dep*** | 13.9% | 18.4% | 7.6% |
| ***91-d /3-m T-bill*** | 11.8% | 23.3% | 5.5% (Feb) |

### Policy and average interbank rates (June 2013)

| | Nigeria (3-m) | Ghana (wt avg) | Zambia (o) |
|---|---|---|---|
| ***Policy*** | 12.0% | 16.0% | 9.5% |
| ***Interbank*** | 11.6% | 16.8% | 10.6% |

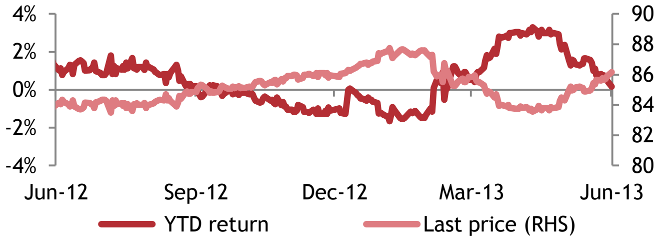
*Source: Bloomberg, individual news websites, respective central banks*

# CURRENCY MARKETS: KENYA, TANZANIA, UGANDA

## Kenyan Shilling (KES)

- In June 2013, the Kenyan shilling dropped to a 13-week low of KES 86.2 against the US dollar as foreign investors booked profits from a rally in the stock markets in 2013.
- With uncertainty surrounding the US monetary stimulus program, global investors have become more risk averse. Consequently, importers purchased dollars anticipating further depreciation in the local currency due to a wider sell-off in emerging markets.
- The depreciation is likely to continue if foreign investors continue to sell equities; however, analysts expect a central bank intervention to contain the fall.

### USD/KES daily movement

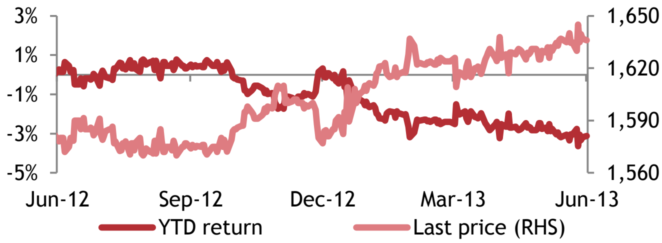



| | Avg | End val | High | Low | MTD (%) | YTD (%) |
|---|---|---|---|---|---|---|
| ***USD*** | 85.4 | 86.2 | 86.2 | 84.9 | -1.1% | 0.2% |
| ***EUR*** | 113.1 | 113.2 | 114.8 | 111.4 | -1.5% | 0.3% |

## Tanzanian Shilling (TZS)

- In June 2013, the Tanzanian shilling depreciated to an 18-month low of TZS 1,645 against the US dollar. The currency has shed 3.1% YTD against the greenback.
- Strong dollar demand from the energy and manufacturing sectors weakened the shilling. As the dollar supply from the agricultural sector is insufficient to meet the demand, the local currency is being supported by an increased volume of dollar sales by the central bank.
- Analysts expect the shilling to hold steady with support from the central bank. The shilling is likely to appreciate only from July 2013, when the country gets dollar inflows from tourism and crop exports.

### USD/TZS daily movement

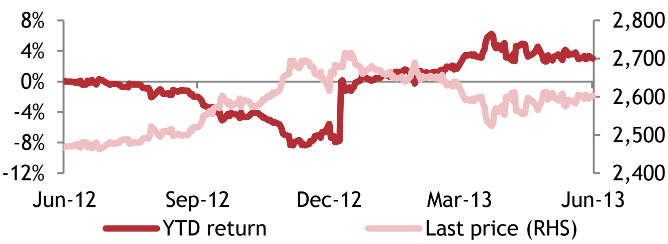



| | Avg | End val | High | Low | MTD (%) | YTD (%) |
|---|---|---|---|---|---|---|
| ***USD*** | 1,636.3 | 1,636.0 | 1,645.0 | 1,630.0 | -0.1% | -3.1% |
| ***EUR*** | 2,167.0 | 2,151.4 | 2,203.1 | 2,136.1 | -0.7% | -2.7% |

## Ugandan Shilling (UGX)

- In June 2013, the Ugandan shilling appreciated 0.2% on a MTD basis. The demand for the dollar remained weak as businesses held the local currency ahead of the full-year tax payments due by the end of June.
- Earlier in the month, the shilling weakened as the 2013-14 budget provided for increase in taxes, which could dampen offshore investor interest. Meanwhile, with UGX 1 tn (USD 385 mn) domestic debt to be raised; traders expect the dollar inflow to be sufficient on the back of high yield and support the shilling.
- Analysts expect the shilling to gradually turn bearish in the medium to long term as the central bank's rate cut filters through the economy.

### USD/UGX daily movement




| | Avg | End val | High | Low | MTD (%) | YTD (%) |
|---|---|---|---|---|---|---|
| ***USD*** | 2,593.6 | 2,603.0 | 2,608.7 | 2,575.0 | 0.2% | 3.0% |
| ***EUR*** | 3,433.2 | 3,414.9 | 3,482.3 | 3,371.7 | -0.6% | 4.0% |

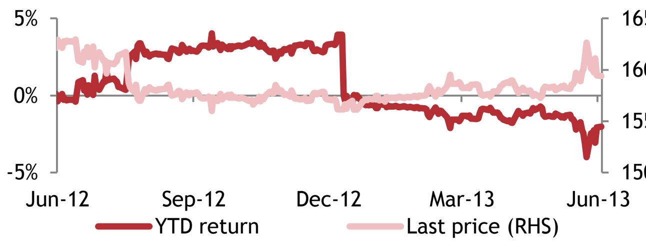
*Source: Bloomberg, individual news websites*

# CURRENCY MARKETS: NIGERIA, RWANDA, GHANA

## Nigerian Naira (NGN)

- In June 2013, the naira fell to an 18-month low of NGN 162.7 against the US dollar as foreign investors repatriated funds from the gains made in the capital markets.
- On speculation that the Fed will reduce the stimulus, investors worldwide are exiting from the risky assets. Stimulus earlier boosted demand for riskier emerging-market assets, including those of Nigeria.
- To support the naira, the central bank has sold dollars to banks in addition to the bi-weekly foreign exchange auctions. With strong forex reserves, analysts expect continuous intervention of the central bank to support the naira.

**USD/NGN daily movement**

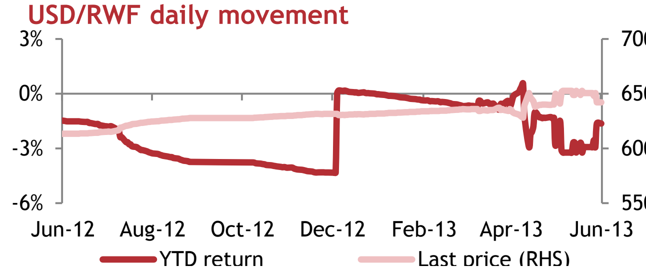



| | Avg | End val | High | Low | MTD (%) | YTD (%) |
|---|---|---|---|---|---|---|
| ***USD*** | 159.8 | 159.4 | 162.7 | 158.2 | -0.8% | -2.0% |
| ***EUR*** | 211.6 | 208.9 | 217.1 | 206.8 | -1.0% | -1.3% |

## Rwandan Franc (RWF)

- Rwanda's franc appreciated in June 2013 by 1.6% on a MTD basis after a 3.6% decline in May. On a YTD basis, the franc depreciated 1.6% against the dollar.
- In May 2013, National Bank of Rwanda revoked licenses of 15 foreign exchange dealers who were flouting the foreign exchange governing laws. These dealers bought dollars daily but did not report the flow to the central bank, thereby causing scarcity of dollars in the currency market.

**USD/RWF daily movement**

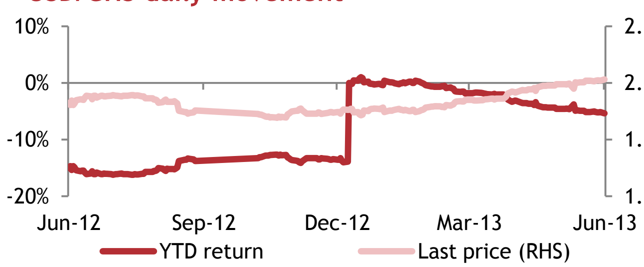



| | Avg | End val | High | Low | MTD (%) | YTD (%) |
|---|---|---|---|---|---|---|
| ***USD*** | 649.5 | 642.0 | 652.5 | 642.0 | 1.6% | -1.6% |
| ***EUR*** | 859.6 | 849.7 | 871.3 | 842.1 | -0.9% | -1.9% |

## New Ghanaian Cedi (GHS)

- The Ghanaian cedi continued to decline against the dollar, closing at GHS 2.01 on 24 June 2013. The currency depreciated 5.4% against the dollar on a YTD basis as companies increased the demand for dollars to pay import bills and repatriate dividends.
- Furthermore, falling gold prices also resulted in decline in dollar supply from the gold miners, thereby adding pressure on the cedi.
- The central bank expects the dollar crunch to ease only after the issuance of a USD 1 bn Eurobond in July 2013 and inflows from a USD 1.2 bn cocoa loan in September 2013.

**USD/GHS daily movement**




| | Avg | End val | High | Low | MTD (%) | YTD (%) |
|---|---|---|---|---|---|---|
| ***USD*** | 2.00 | 2.01 | 2.01 | 1.98 | -1.6% | -5.4% |
| ***EUR*** | 2.65 | 2.64 | 2.69 | 2.59 | -2.0% | -4.7% |

*Source: Bloomberg, individual news websites*

# SPECIAL FOCUS

## The East African Budget 2013-14

### Expansionary budget: the slogan of East Africa

On 13 June 2013, four nations in the East African Community (EAC) tabled their budgets for 2013–14 in their respective parliaments. In an uncertain global economic environment, these countries face the challenge of expanding infrastructure and improving education despite fiscal constraints. Kenya, Uganda, Tanzania and Rwanda released their budgets, which remained firmly expansionary despite foreign aid cuts.

### Increase in taxes to support increased spending

Revenue mobilisation has been a key theme across the budgets; tax revenues as a percentage of GDP in countries such as Uganda and Rwanda have remained very low (only 14% of the GDP). To improve them, the Ugandan and Rwandan governments have taken measures that include modernising tax laws, streamlining tax incentives and improving efficiency of tax administration (e-filing and e-payment was introduced in Rwanda). Additionally, given the subdued revenues in Kenya in recent years, the Kenyan government has planned to review the suspension of the capital gain tax (suspended in 1985) and enactment of the VAT bill. In Tanzania, indirect taxes, which continue to be the key source of revenue for the government, have been increased across the board along with VAT reforms.

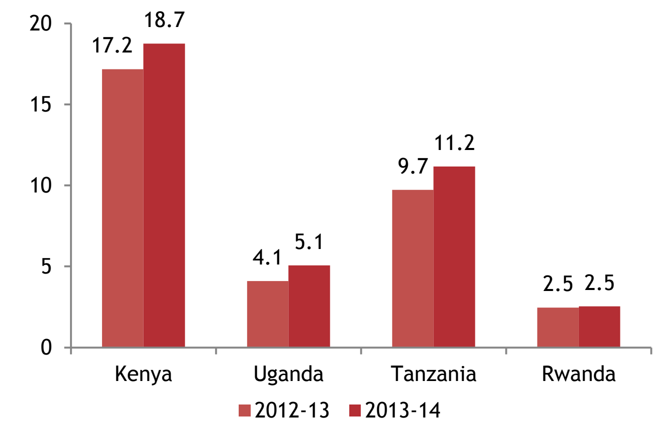
### Infrastructure to dominate budget spending

On the expenditure side, infrastructure development has been identified as a key priority across the region. Infrastructure development in Uganda has resulted in an improved investment climate and supported economic growth. Taking cues from Uganda's success, Kenya has also provided special attention to transport, energy and security projects in its 2013–14 budget; its earlier budgets, did not have distinct infrastructure goals.

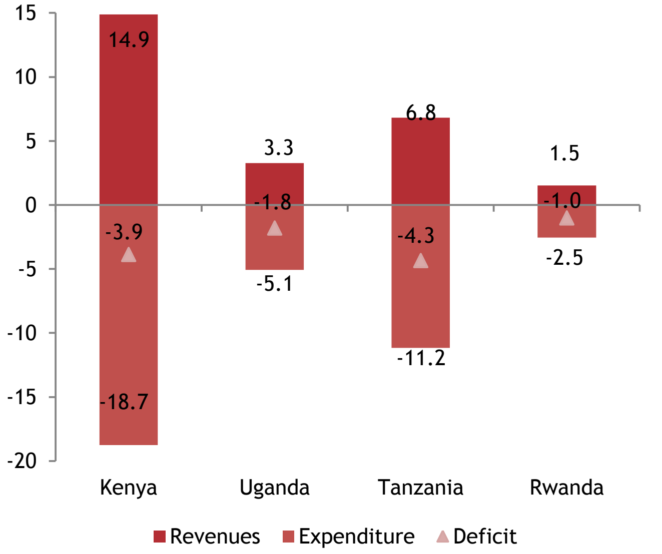
### Successful implementation remains a challenge

Although budget deficit exists in the four EAC countries, overall, they have taken note of their respective economic issues and are attempting to tackle them accordingly. However, how quickly and efficiently will the nations be able to implement the changes remains a question as implementing measures has been a challenge for the EAC countries in the past. The recent announcement regarding the delay in implementation of the capital gain tax by the Kenyan government after foreign investors exited capital market is a case in point.

### Budget expenditure (USD bn)




### Fiscal balance (USD bn)




*Source: Bloomberg, Deloitte, KPMG individual news websites*

# AUCTIONS, EVENTS

## Latest Issuances of Key Government Bonds (duration greater than one year)

### Uganda's latest issuance: 2- and 10-yr bonds (June 2013)

| Issue Date | Maturity | Amt (UGX) | Bid/Offer | YTM | Coupon |
|---|---|---|---|---|---|
| *20-June* | 2-yr | 90.0 bn | 1.11 | 14.2% | 10.0% |
| *20-June* | 10-yr | 50.0 bn | 2.18 | 15.1% | 11.0% |
| *Details of previous 2 yr and 10 yr issuances* | | | | | |
| *23-May* | 2-yr | 100.0 bn | 1.54 | 13.0% | 10.0% |
| *25-Apr* | 10-yr | 50.0 bn | 1.63 | 14.1% | 11.0% |

*I USD = 2,593.6 UGX (average for June 2013)*

### Tanzania's latest issuance: 7-yr bond (June 2013)

| Issue Date | Maturity | Amt (TZS) | Bid/Offer | YTM | WACY* |
|---|---|---|---|---|---|
| *26-June* | 7-yr | 8.7 bn | 0.36 | 15.8% | 13.2% |
| *Details of previous 7-yr issuance* | | | | | |
| *30-Apr* | 7-yr | 36 bn | 0.65 | 15.2% | 12.9% |
| *Other Issuances in June* | | | | | |
| *12-June* | 5-yr | 44.4 bn | 1.52 | 14.9% | 11.4% |

**Weighted average coupon yield; I USD = 1,636.3 TZS (average for June 2013)*

### Ghana's latest issuance: 2-yr note (July 2013)

| Issue Date | Maturity | Amt (GHS) | Type | Bid/Cover | Int rate |
|---|---|---|---|---|---|
| *01-July* | 2-yr | 12.7 mn | FXR Note | 1.0 | 22.3% |
| *Details of previous 2-yr issuance* | | | | | |
| *24-June* | 2-yr | 24.1 mn | FXR Note | 1.0 | 22.3% |
| *Other Issuances in June* | | | | | |
| *17-June* | 2-yr | 32.6 mn | FXR Note | 1.0 | 22.3% |

**Fixed rate; 1 USD = 2.0 GHS (average for June 2013)*

### Kenya's latest issuance: 5- and 10-yr bonds (July 2013)

| Issue Date | Maturity | Amt bid (KES) | Amt acpt (KES) | MWAR* | Coupon |
|---|---|---|---|---|---|
| *01-July* | 5-yr | 18.0 bn | 12.9 bn | 11.5% | 11.3% |
| *01-July* | 10-yr | 14.1 bn | 12.1 bn | 12.5% | 12.4% |
| *Details of previous 5 yr and 10 yr issuances* | | | | | |
| *29-Apr* | 5-yr | 33.8 bn | 20.2 bn | 13.1% | 12.9% |
| | | | | | |

**Market weighted average rate; I USD = 85.4 KES (average for June 2013)*

## Upcoming Bond Auctions, Monetary Policy Meetings

- 17 July 2013: Central Bank of Nigeria is scheduled to issue 5-and 20-year bonds.
- 29 July 2013: Central Bank of Kenya is scheduled to issue 20 bn worth of bonds.

- **Monetary policy meetings** are scheduled for:
  - **2 July 2013:** Central Bank of Uganda
  - **19 July 2013:** Central Bank of Ghana
  - **23 July 2013:** Central Bank of Nigeria

*Source: Bloomberg, individual news websites, respective central banks*

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