

## ABSTRACT

The Kenyan government has continuously failed to collect sufficient funds to support its budget and continues to rely on foreign and internal debt to fund its development efforts. The country's public debt soared to trillions, with 44.5 percent external debt and 55.5 percent domestic debt. This has caused officials to be concerned that the fast growth in public debt has the potential to erode the nation's sovereign grade. Public debt management is the process of establishing and executing a strategy for managing the government's debt in order to raise the required amount of funding and achieve its risk and cost objectives. Sound debt structures help governments reduce their exposure to interest rate and currency devaluation risks, as well as achieve other debt management objectives. Since its start in the 1980s, the Kenyan government security industry has encountered several obstacles. The performance has been disappointing. This study aimed to determine the impact of Public Debt Management on the performance of Kenyan government securities. Specific objectives are to determine the impact of debt monitoring, infrastructure bond program, Automated Trading System(ATS) for treasury bonds, benchmark bond program implementation, and the impact of debt restructuring on the performance of Government Securities in Kenya. The research was led by the Firm Foundation Theory, the Theory of Investment Value, the Technical Theory, and the Random Walk Theory. The research design was a cross-sectional survey. The unit of analysis for this study was the Kenya National Treasury. The target audience consisted of 25 CBK and Treasury department of Public Debt management officers. The sample size was proportional to the target population, necessitating the use of census (saturated) sampling on the 25 CBK and Treasury officials in charge of Public Debt management. The primary and secondary data for the period between 2000 and 2022 were gathered from CBK. Using questionnaires, we gathered primary data. Using Cronbach's alpha, the data's dependability was determined. Using descriptive and inferential statistics, the data to be obtained were evaluated. The qualitative data will undergo content analysis. Results suggest an almost perfect link between debt restructuring (DR) and automated trading system (ATS), with a coefficient of 0.961. The correlation coefficient for the Infrastructure Bond program (IBP) and ATS is 0.885, indicating a nearly perfect connection between the variables. At 0.879, the correlation coefficient between debt restructuring and IBP is likewise close to a perfect connection. This variables' correlation analysis results indicate a statistically significant effect on the yield of government securities; a strong and positive association, nearly a perfect association of the variables in this study; the coefficient of multiple correlation  $R = .900a$ , which is a very high coefficient. The variance in the yield of government securities may be further explained up to 81.1% ( $R^2 = .81$ ). The result is statistically significant (Adjusted  $R^2 = 0.801$ ;  $p = 0.000$  0.05;  $F = 80,538$ ) and may be relied upon for the prediction of the yield on government securities up to 80.1% (Adjusted  $R^2 = 0.801$ ;  $p = 0.000$  0.05;  $F = 80,538$ ). This study indicates that a unit change in debt restructuring produces a rise of 7.411 units in the yield of government securities, with an impact size of up to 37.6% (standardized beta = 0.376). The effect of management of benchmarking bond implementation unit increase on the yield of government securities is 5.777units with an effect size of 1.7% (Standardized beta = 0.017). A unit increase in the usage of Automated Trading Systems (ATS) for the management of public debt generates a 2.83-unit increase in the yields on government securities. This variable has an impact size of 6.6% (standardized beta = 0.066), and the result is statistically significant. Consequently, the debt management methods have a statistically significant impact on the performance of government assets on any financial market.