WEEKLY NOTE

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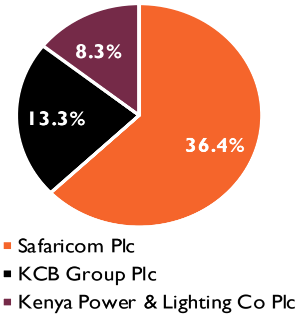
Top 3 Traded Counters



Source: NSE, AIB-AXYS Research

Top Gainers

Company	Closing Price	W/W Change (%)
Williamson Tea	325.75	▲ 31.2%
ILAM FAHARI I-REIT. Ord.20.00	1.40	▲ 30.8%
Car & General	45.50	▲ 28.5%
Olympia Capital Holdings Ltd	7.04	▲ 23.9%
Kapchorua Tea	385.75	▲ 18.0%

Top Losers

Company	Closing Price	W/W Change (%)
Unga Group Ltd	22.90	▼ (5.6%)
Nation Media Group Plc	13.25	▼ (4.0%)
Sameer Africa Plc	15.15	▼ (3.5%)
HF Group Plc	10.50	▼ (2.8%)
The Co-operative Bank of Kenya	20.70	▼ (2.1%)

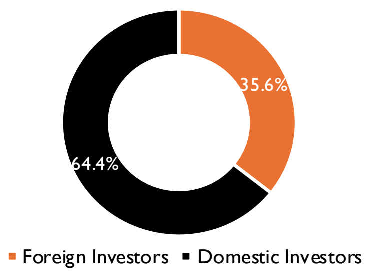
Source: NSE, AIB-AXYS Research

Weekly Market Summary

Statistic	Latest Week	Previous Week	% change
Market Cap (KES Bn)	2,812.18	2,802.61	▲ 0.3%
Nairobi All Share Index	178.50	177.89	▲ 0.3%
NSE-10 Index	1,790.15	1,788.35	▲ 0.1%
NSE-20 Index	3,030.95	2,978.63	▲ 1.8%
NSE-25 Index	4,668.95	4,634.69	▲ 0.7%

Source: NSE, AIB-AXYS Research

Participation Mix



Source: NSE, AIB-AXYS Research

Stock Commentary

- **Safaricom PLC** was the most traded counter in the week with aggregate turnover clocking **KES 764.42 Mn** with **KCB Group PLC** coming in as the second most traded counter with the cumulative turnover coming in at **KES 278.40 Mn.**
- For the week, bullish foreigner sentiment was skewed on KCB Group PLC to register net inflows amounting to **KES 220.14 Mn.**
- On the flip side, bearish foreigner sentiment was most pronounced on Safaricom PLC to register net outflows amounting to **KES 120.36 Mn.**

Trading Activity Stats

Statistic	Latest Week	Previous Week	% change
Equity Turnover (KES, Mn)	2,100.98	5,656.38	▼ (62.9%)
Foreigner buys (KES Mn)	805.83	540.44	▲ 49.1%
Foreigner sales (KES Mn)	693.47	584.83	▲ 18.6%
Net foreign flows (KES, Mn)	110.98	(44.39)	▼ (350.0%)
Foreign Participation Rate	35.7%	9.9%	▲ 25.8%

Source: NSE, AIB-AXYS Research

Kenyan Equities Market Performance

- The market registered bullish sentiments as signaled by the **0.3%** uptick in the Nairobi All-Share index (NASI) to close at **178.50 points.**
- Trading activity decreased by **62.9%** in the week to **KES 2,100.98 Mn,** down from **KES 5,656.38 Mn** the previous week.
- Domestic investors were notably active in the week, with their participation rate at **64.4%** of total market activity.

Top Net Foreigner Buys

Company	Closing Price	Turnover (KES '000')
KCB Group Plc	57.00	220,136.22
Equity Group Holdings Plc	58.25	139,930.94
Diamond Trust Bank	105.00	12,918.14
East African Breweries Plc	213.00	11,139.82
ABSA Bank Kenya Plc	22.05	922.35

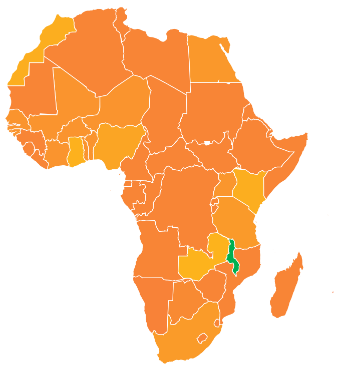
Source: NSE, AIB-AXYS Research

Top Net Foreigner Sales

Company	Closing Price	Turnover (KES '000')
Safaricom Plc	28.90	(120,358.97)
Williamson Tea	325.75	(68,410.50)
Kenya Power & Lighting Co Plc	15.50	(29,629.55)
Umeme Ltd	8.92	(21,355.38)
Stanbic Holdings Plc	197.50	(15,400.86)

Source: NSE, AIB-AXYS Research

Africa Equities Return Heatmap



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SSA Equity Market Performance

Country	w/w (%)	YTD 2025 (%)
Kenya	▲ 0.3%	▲ 44.7%
Uganda	▲ 0.4%	▲ 22.8%
Tanzania	▼ (0.6%)	▲ 17.3%
West Africa	▲ 0.1%	▲ 17.8%
Nigeria	▲ 1.0%	▲ 39.5%
Ghana	▲ 3.6%	▲ 72.0%
Malawi	▲ 3.8%	▲ 249.0%
Mauritius	▲ 0.7%	▼ (8.5%)
Botswana	-	▲ 5.5%
Egypt	▲ 3.4%	▲ 25.8%
South Africa	▲ 2.9%	▲ 30.8%
Median	**▲ 0.7%**	**▲ 25.8%**

Source: African Markets, AIB-AXYS Research

Regional Perspective

- African equity markets registered bullish momentum in the week, to clock a median return of **0.7%.**
- **Malawi** emerged as the best-performing market, posting a **3.8% w/w** return, whereas **Tanzania** was the weakest performer for the week, posting a discount of **0.6%**.
- Kenya's week-on-week average increase of **0.3%** resulted in a **+44.7%** year-to-date performance.

Top Gainers 2025	Closing Price		% Change
Sameer Africa	KES	15.15	▲ 523.5%
Home Afrika Ltd	KES	1.28	▲ 245.9%
Kenya Power & Lighting Co	KES	15.50	▲ 222.2%
Trans-Century Plc	KES	1.12	▲ 187.2%
KenGen Co.	KES	10.00	▲ 174.7%
Olympia Capital Holdings	KES	7.04	▲ 151.4%
Kenya Re Insurance Corpoı	KES	3.19	▲ 149.2%
Nairobi Securities Exchange	KES	14.90	▲ 148.3%
HF Group Plc	KES	10.50	▲ 132.8%
Uchumi Supermarket	KES	0.39	▲ 129.4%

Top Losers 2025	Closing Price		% Change
Umeme Ltd	KES	8.92	▼ (46.7%)
Nairobi Business Ventures	KES	1.69	▼ (15.9%)
Nation Media Group Plc	KES	13.25	▼ (8.0%)
Africa Mega Agricorp	KES	65.00	▼ (7.1%)
Bamburi Cement	KES	54.00	▼ (1.8%)

Top Movers 2025	Turnover (KES Mn)	Turnover (USD Mn)	Foreigners' Participation	Closing Price	% Change (YTD)
Safaricom Plc	KES 764.4	$5.92	57.7%	KES 28.90	▲ 69.5%
KCB Group	KES 278.4	$2.15	46.7%	KES 57.00	▲ 37.0%
Kenya Power & Lighting Co	KES 174.2	$1.35	11.0%	KES 15.50	▲ 222.2%
Equity Group Holdings	KES 171.1	$1.32	41.6%	KES 58.25	▲ 20.6%
KenGen Co.	KES 119.9	$0.93	5.2%	KES 10.00	▲ 174.7%
Williamson Tea Kenya	KES 110.1	$0.85	31.1%	KES 325.75	▲ 43.8%
Standard Chartered Bank	KES 69.4	$0.54	0.1%	KES 284.00	▲ 1.5%
East African Breweries	KES 63.8	$0.49	11.8%	KES 213.00	▲ 21.4%
Kenya Re Insurance Corporation	KES 40.8	$0.32	0.9%	KES 3.19	▲ 149.2%
HF Group Plc	KES 37.0	$0.29	0.0%	KES 10.50	▲ 132.8%
Co-operative Bank of Kenya	KES 36.7	$0.28	0.0%	KES 20.70	▲ 25.8%
Umeme Ltd	KES 25.8	$0.20	43.1%	KES 8.92	▼ (46.7%)
Diamond Trust Bank	KES 24.6	$0.19	50.4%	KES 105.00	▲ 52.2%
Stanbic Holdings	KES 23.6	$0.18	42.2%	KES 197.50	▲ 43.9%
British American Tobacco Kenya	KES 21.8	$0.17	0.0%	KES 428.25	▲ 13.9%

AIB-AXYS Equities Market Snapshot

6th October 2025

AGRICULTURAL	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Eaagads Ltd	20.90	▲ 0.2%	▲ 74.2%	5,294	40.23	0.02%	(1.91)	-	(10.9x)	0.5x	0.0%	0.0%	0.0%	0.0%
Kakuzi Plc	438.00	▲ 2.8%	▲ 13.8%	11	279.19	0.30%	(9.37)	-	(46.7x)	1.6x	0.0%	0.0%	0.0%	0.0%
Kapchorua Tea Kenya Plc	385.75	▼ (1.3%)	▲ 64.1%	1,355	268.30	0.11%	(2.39)	25.00	(161.4x)	1.4x	6.5%	107.9%	8.6%	63.7%
The Limuru Tea Co. Plc	379.00	▼ (0.3%)	▲ 8.3%	56	63.73	0.03%	(12.78)	-	(29.7x)	5.9x	0.0%	0.0%	0.0%	0.0%
Sasini Plc	18.85	▲ 0.5%	▲ 26.5%	21,472	93.17	0.15%	(3.13)	-	(6.0x)	0.2x	0.0%	0.0%	0.0%	0.0%
Williamson Tea Kenya Plc	325.75	▲ 0.5%	▲ 43.8%	225,386	360.45	0.20%	(40.81)	10.00	(8.0x)	0.9x	3.1%	(114.2%)	0.0%	0.0%
Industry Median		▲ 0.4%	▲ 35.2%			0.82%			(20.3x)	1.2x	0.0%	0.0%	0.0%	0.0%

AUTOMOBILES & ACCESSORIE	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Car & General (K) Ltd	45.50	▲ 8.6%	▲ 100.0%	9,762	155.99	0.06%	(3.33)	0.30	(13.7x)	0.3x	0.7%	(9.0%)	0.0%	0.0%

BANKING	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
ABSA Bank Kenya Plc	22.05	▲ 0.2%	▲ 22.2%	111,721	16.39	4.21%	4.02	1.75	5.5x	1.3x	7.9%	45.6%	24.5%	4.1%
BK Group Plc	38.50	▲ 3.4%	▲ 18.3%	4,578	48.73	1.21%	3.24	2.64	11.9x	0.8x	6.9%	102.9%	6.6%	1.2%
Diamond Trust Bank Kenya Ltd	105.00	-	▲ 52.2%	13,825	322.98	1.03%	28.83	7.00	3.6x	0.3x	6.7%	25.6%	8.9%	1.3%
Equity Group Holdings Plc	58.25	▲ 0.4%	▲ 20.6%	673,622	73.16	7.73%	12.34	4.25	4.7x	0.8x	7.3%	34.4%	16.9%	2.6%
HF Group Plc	10.50	▼ (1.4%)	▲ 132.8%	3,023,932	11.22	0.55%	0.90	-	11.7x	0.9x	0.0%	0.0%	8.0%	1.7%
I&M Group Plc	42.95	-	▲ 18.5%	42,623	61.34	2.62%	9.66	3.00	4.4x	0.7x	7.0%	32.3%	15.7%	2.8%
KCB Group Plc	57.00	-	▲ 37.0%	1,743,338	95.48	6.44%	18.21	4.00	3.1x	0.6x	7.0%	21.4%	19.1%	3.0%
NCBA Group	70.75	▲ 1.1%	▲ 46.8%	67,728	71.89	4.10%	14.02	5.75	5.0x	1.0x	8.1%	43.3%	19.5%	3.5%
Stanbic Holdings Plc	197.50	▲ 0.1%	▲ 43.9%	6,279	187.86	2.74%	33.01	22.70	6.0x	1.1x	11.5%	65.4%	17.6%	2.8%
Standard Chartered Bank Kenya Ltd	284.00	-	▲ 1.5%	114,781	173.61	3.77%	40.75	8.00	7.0x	1.6x	2.8%	22.1%	23.5%	4.1%
The Co-operative Bank of Kenya Ltd	20.70	▼ (0.7%)	▲ 25.8%	113,242	26.64	4.27%	4.39	1.50	4.7x	0.8x	7.2%	34.6%	16.5%	3.2%
Industry Median		-	▲ 25.8%			38.67%			5.0x	0.8x	7.0%	34.4%	16.9%	2.8%

COMMERCIAL AND SERVICES	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Eveready East Africa Ltd	1.40	▲ 0.7%	▲ 21.7%	25,308	0.30	0.01%	(0.28)	-	(5.0x)	4.7x	0.0%	0.0%	0.0%	0.0%
Express Kenya Plc	8.00	▼ (0.7%)	▲ 122.2%	5,371	7.74	0.01%	(2.26)	-	(3.5x)	1.0x	0.0%	0.0%	0.0%	0.0%
Homeboyz Entertainment Plc	4.66	-	-	0	-0.35	0.01%	(0.71)	-	(6.6x)	(13.2x)	0.0%	0.0%	0.0%	0.0%
Kenya Airways Ltd	3.91	▼ (0.8%)	▲ 2.1%	173,781	-22.25	0.80%	0.74	-		(0.2x)	0.0%	0.0%	(4.2%)	3.0%
Longhorn Publishers Plc	3.22	▼ (2.4%)	▲ 40.0%	13,007	-0.52	0.03%	(1.89)	-	(1.7x)	(6.2x)	0.0%	0.0%	0.0%	0.0%
Nairobi Business Ventures Ltd	1.69	▲ 5.0%	▼ (15.9%)	21,363	1.41	0.08%	0.01	-	183.0x	1.2x	0.0%	0.0%	0.7%	0.4%
Nation Media Group Plc	13.25	-	▼ (8.0%)	10,605	2.50	0.10%	(3.00)	-	(4.4x)	5.3x	0.0%	0.0%	0.0%	0.0%
Sameer Africa Plc	15.15	▼ (2.9%)	▲ 523.5%	4,732	2.98	0.15%	0.93	-	16.3x	5.1x	0.0%	0.0%	31.2%	16.3%
Standard Group Plc	5.90	-	▲ 17.5%	1,102	-28.82	0.02%	(10.15)	-	(0.6x)	(0.2x)	0.0%	0.0%	0.0%	0.0%
TPS Eastern Africa (Serena) Ltd	16.70	▲ 0.6%	▲ 12.1%	1,320	62.15	0.11%	4.54	0.35	3.7x	0.3x	2.1%	7.7%	7.3%	4.2%
Uchumi Supermarket Plc	0.39	-	▲ 129.4%	132,899	-11.73	0.01%	(5.56)	-	(0.1x)	(0.0x)	0.0%	0.0%	0.0%	0.0%
WPP Scangroup Plc	2.95	▲ 1.4%	▲ 19.0%	22,110	10.89	0.04%	(1.17)	-	(2.5x)	0.3x	0.0%	0.0%	0.0%	0.0%
Industry Median		-	▲ 18.2%			0.56%			(2.1x)	0.3x	0.0%	0.0%	0.0%	0.0%

CONSTRUCTION & ALLIED	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Bamburi Cement Ltd	54.00	-	▼ (1.8%)	0	69.50	0.69%	(1.97)	23.72	(27.4x)	0.8x	43.9%	(850.2%)	0.0%	0.0%
Crown Paints Kenya Plc	60.25	▼ (1.6%)	▲ 83.1%	374	25.41	0.30%	1.34	-	45.0x	2.4x	0.0%	0.0%	5.3%	2.1%
E.A Cables Ltd	1.71	-	▲ 58.3%	0	0.34	0.02%	0.37	-	4.6x	5.1x	0.0%	0.0%	110.1%	1.9%
E.A Portland Cement Co. Ltd	59.25	▲ 0.9%	▲ 93.6%	312	226.97	0.19%	20.26	-	2.9x	0.3x	0.0%	0.0%	8.9%	5.2%
Industry Median		-	▲ 70.7%			1.19%			3.8x	1.6x	0.0%	0.0%	7.1%	2.0%

ENERGY & PETROLEUM	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
KenGen Co. Plc	10.00	▲ 9.6%	▲ 174.7%	4,570,945	42.33	2.32%	1.11	0.65	9.0x	0.2x	6.5%	85.5%	2.6%	1.5%
Kenya Power & Lighting Co Plc	15.50	▲ 5.1%	▲ 222.2%	3,234,565	49.85	1.06%	15.41	0.70	1.0x	0.3x	4.5%	4.5%	30.9%	8.2%
TotalEnergies Marketing Kenya Plc	33.80	▼ (0.1%)	▲ 69.0%	4,974	51.78	0.75%	4.74	1.92	7.1x	0.7x	5.7%	42.9%	9.2%	4.9%
Umeme Ltd	8.92	▲ 0.5%	▼ (46.7%)	255,317	1.56	0.51%	(11.58)	7.96	(0.8x)	5.7x	89.2%	(68.8%)	0.0%	0.0%
Industry Median		▲ 2.8%	▲ 121.9%			4.64%			4.1x	0.5x	6.1%	23.7%	5.9%	3.2%

INSURANCE	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Britam Holdings Plc	8.92	▼ (0.4%)	▲ 53.8%	45,582	12.27	0.79%	1.86	-	4.8x	0.7x	0.0%	0.0%	15.2%	2.1%
CIC Insurance Group Ltd	4.87	-	▲ 126.5%	126,384	4.64	0.45%	1.22	0.13	4.0x	1.0x	2.7%	12.5%	26.3%	4.5%
Jubilee Holdings Ltd	322.75	▲ 0.9%	▲ 86.0%	177	743.02	0.82%	72.14	13.50	4.5x	0.4x	4.2%	20.8%	9.7%	2.3%
Kenya Re- Insurance Corporation Ltd	3.19	▲ 0.3%	▲ 149.2%	3,354,161	9.27	0.63%	0.81	0.15	3.9x	0.3x	4.7%	19.0%	8.7%	6.6%
Liberty Kenya Holdings Ltd	10.90	▼ (0.5%)	▲ 63.2%	5,430	2.90	0.21%	1.86	-	5.9x	3.8x	0.0%	0.0%	64.1%	23.6%
Sanlam Kenya Plc	9.00	▼ (1.5%)	▲ 81.8%	7,984	5.98	0.20%	9.95	-	0.9x	1.5x	0.0%	0.0%	166.3%	15.5%
Industry Median		▼ (0.2%)				3.10%			4.2x	0.9x	1.3%	6.3%	20.7%	5.6%

INVESTMENT	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Centum Investment Co Plc	15.60	▲ 0.6%	▲ 57.9%	52,648	64.97	0.36%	3.32	0.32	4.7x	0.2x	2.1%	15.6%	5.1%	2.7%
Home Afrika Ltd	1.28	▼ (2.3%)	▲ 245.9%	524,970	-4.41	0.02%	0.17	-	7.5x	(0.3x)	0.0%	0.0%	(3.9%)	1.9%
Kurwitu Ventures Ltd	1,500.00	-	-	0	502.63	0.01%	(35.95)	-	(41.7x)	3.0x	0.0%	0.0%	0.0%	0.0%
Olympia Capital Holdings Ltd	7.04	▲ 9.3%	▲ 151.4%	34,480	42.35	0.01%	0.31	-	22.8x	0.2x	0.0%	0.0%	0.7%	0.6%
Trans-Century Plc	1.12	-	▲ 187.2%	0	-38.80	0.01%	(6.10)	-	(0.2x)	(0.0x)	0.0%	0.0%	0.0%	0.0%
Industry Median		-	▲ 151.4%			0.41%			4.7x	0.2x	0.0%	0.0%	0.0%	0.6%

INVESTMENT SERVICES	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Nairobi Securities Exchange Plc	14.90	▲ 1.4%	▲ 148.3%	42,788	4.01	0.14%	0.45	0.32	33.1x	3.7x	2.1%	71.1%	11.2%	5.1%

MANUFACTURING & ALLIED	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
B.O.C Kenya Plc	125.00	▲ 1.6%	▲ 40.8%	142	109.00	0.09%	10.84	2.50	11.5x	1.1x	2.0%	23.1%	9.9%	8.6%
British American Tobacco Kenya Plc	428.25	▲ 1.5%	▲ 13.9%	10,616	147.65	1.51%	37.97	55.00	11.3x	2.9x	12.8%	122.7%	25.7%	22.7%
Carbacid Investments Plc	26.70	▼ (0.2%)	▲ 27.4%	32,833	17.97	0.24%	3.31	-	8.1x	1.5x	0.0%	0.0%	18.4%	18.5%
East African Breweries Plc	213.00	-	▲ 21.4%	143,248	40.73	7.77%	12.47	8.00	17.1x	5.2x	3.8%	64.2%	30.6%	9.9%
Flame Tree Group Holdings Ltd	1.67	▲ 3.1%	▲ 67.0%	22,266	6.88	0.01%	1.13	-	1.5x	0.2x	0.0%	0.0%	16.4%	5.4%
Africa Mega Agricop Plc	65.00	-	▼ (7.1%)	0	2.18	0.03%	0.13	-	500.0x	29.8x	0.0%	0.0%	6.0%	1.2%
Unga Group Ltd	22.90	▼ (4.2%)	▲ 52.7%	3,464	70.45	0.06%	(0.74)	-	(30.9x)	0.3x	0.0%	0.0%	0.0%	0.0%
Shri Krishana Overseas Plc	8.16	▼ (0.2%)	▲ 38.3%	404		0.01%								
Industry Median			▲ 27.4%			9.70%			11.3x	1.5x	0.0%	0.0%	16.4%	8.6%

TELECOMMUNICATION	Current Price	Daily Change (%)	YTD change (%)	Volumes Traded	Book Value per Share	Market Weight (%)	Trailing EPS	Dividend Per Share	P/E Ratio	P/B Ratio	Dividend yield (%)	Payout Ratio (%)	ROE (%)	ROA (%)
Safaricom Plc	28.90	▼ (1.5%)	▲ 69.5%	1,436,320	4.44	40.70%	1.59	1.20	18.2x	6.5x	4.2%	69.0%	35.9%	12.4%
Market Average		▼ (0.3%)	▲ 93.8%						4.4x	1.6x	1.9%		10.4%	3.7%

Key Highlights

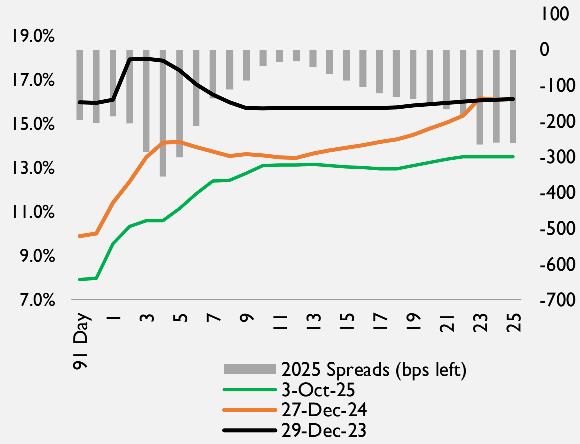
- **Spot market treasury bills were undersubscribed, recording a subscription rate of 63.1% from 62.9% recorded the previous week. Absolute demand remained skewed towards the 364-day paper – which received bids amounting to KES 7.38 Bn.** Investor demand for Treasury bills picked up slightly compared to the previous week. This week, demand for the 91-day paper remained subdued, while interest in the 182-day paper increased. Investor focus may now shift to the re-opened bonds as they seek higher returns.
- Last week, Kenya issued a **USD 1.5 Bn Eurobond** in the international market, marking a major sovereign issuance of 2025, with proceeds directed toward managing the 2028 bond maturity. The issuance comprised a 7-year USD 750 Mn tranche maturing in October 2033 with a 7.875% coupon, and a 12-year USD 750 Mn tranche maturing in October 2038 with an 8.8% coupon. **Proceeds from the bond will be used to buy back the USD 1.0 Bn Eurobond maturing in 2028**, helping manage near-term refinancing risks. The issue attracted strong investor appetite, with order books exceeding USD 7.5 Bn, pointing to investor confidence in Kenya's fiscal and debt management strategy.
- **The 91-day Treasury Bill rate witnessed a 0.96bps w/w uptick to 7.92%.** Meanwhile, the accepted average yields on the 182-day paper declined by 0.02 bps, whilst the 364-day paper inclined by 0.96 bps. Going forward, we expect yields to continue trending downwards in the near term.
- **Across the secondary bond market, the value of bonds traded decreased 26.1% w/w to KES 42.34 Bn** from **KES 57.26 Bn** recorded a week prior. The NSE Bond Index witnessed a decrease of 32.97 bps w/w to 1160.97 points, driven largely by an increase in the 10-year benchmark yields. The 10-year yield rose the most by 101.95 bps w/w while the 21-year yield eased the most by 32.13 bps w/w.
- **Yields on Kenya's Eurobond papers decreased by an average of 7.21 bps w/w.** The table below shows the performance of the Eurobond papers.

Table 1: Indicative Fixed Income Stats

Rate	Current	Previous	w/w bps change	2025 bps change
91- Day	7.92%	7.91%	0.96	(197.07)
182-Day	7.98%	7.99%	(0.02)	(203.67)
364-Day	9.54%	9.53%	0.96	(186.89)
Bond Index	1160.97	1164.81	(32.97)	612.45
Interbank Rate	9.51%	9.47%	(3.82)	(158.93)

Source: Central Banks' Data, Nairobi Securities Exchange

Chart 1: Domestic Yield Curve Evolution



Source: Nairobi Securities Exchange, AIB-AXYS Africa Research

Table 2: Summary of Kenya Eurobond performance

KENYAN EUROBONDS					
ISSUANCE	**KENINT 02/28/2028**	**KENINT 02/16/2031**	**KENINT 05/22/2032**	**KENINT 01/23/2034**	**KENINT 02/28/2048**
Tenor to maturity	3.10	6.20	7.40	9.10	23.20
31-Dec-24	9.06%	10.13%	10.11%	10.12%	10.29%
26-Sep-25	6.00%	7.85%	8.05%	8.38%	9.23%
29-Sep-25	6.06%	7.91%	8.14%	8.45%	9.28%
30-Sep-25	6.06%	7.88%	8.11%	8.43%	9.25%
1-Oct-25	5.83%	7.91%	8.14%	8.43%	9.28%
2-Oct-25	5.83%	7.91%	8.14%	8.43%	9.28%
Weekly change	(0.18%)	0.06%	0.09%	0.05%	0.04%

Source: Central Bank of Kenya

AIB-AXYS Weekly Fixed Income Note

6th October 2025

Macroeconomic Developments

Exchange Rate

- The Kenya Shilling closed the week at **KES 129.24** against the USD, a slight appreciation from **KES 129.26** recorded the previous week. The Shilling's YTD appreciation against the USD stood at **0.03%.**
- Official forex reserves decreased by **0.2% w/w** to **USD 10,717 Mn** from **USD 10,735 Mn**. The current reserves now offer about **4.7 months** of import cover, meeting the CBK's statutory requirement of 4 months. The reserves also met the EAC's convergence requirement of 4.5 months of import cover.

Monetary Policy Committee (MPC) policy decision

- On 7th October 2025, the Monetary Policy Committee (MPC) is scheduled to review the Central Bank Rate (CBR), currently at 9.5% following a 25-bps cut in August. The committee has been on an easing cycle since last year, aimed at supporting economic recovery. However, private sector credit growth remains below desired levels, signaling the need for additional stimulus to unlock lending to the private sector. With inflation well-anchored at 4.6%, within the CBK's 2.5%–7.5% target range, and major economies having eased rates, we project the **MPC may consider a 25-bps cut to 9.25%** to further stimulate credit growth.

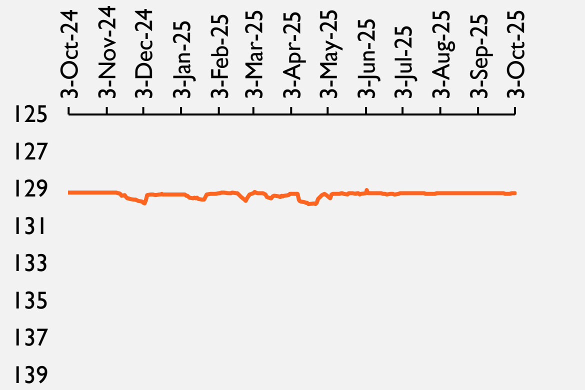
Kenya Consumer Price Index Report- September 2025

- Latest data from the Kenya National Bureau of Statistics (KNBS) indicates that the yearly headline inflation rate, as measured by the Consumer Price Index (CPI), rose slightly to 4.6% in September 2025, up from 4.5% in August 2025.
- The modest uptick was largely attributed to sustained price pressures in Food and Non-Alcoholic Beverages (8.4%), Transport (4.5%), and Housing, Water, Electricity, Gas & Other Fuels (0.9%). Together, these categories account for over half of the CPI basket, hence their movements continue to drive the overall inflation trend. On a month-on-month basis, the CPI rose by 0.3%, from 146.21 in August to 146.56 in September, with core inflation contributing 2.9 percentage points and non-core 1.7 percentage points to the overall reading.
- September's inflation came in line with our earlier projection of 4.3% - 4.6%. Our view is that inflation would remain largely stable, supported by favorable weather conditions, a stable shilling, and the reinstated fuel subsidy that helped contain pump prices; while the reduction in fuel prices during the September pricing cycle provided slight relief on transport and energy costs.
- Looking ahead, we expect inflation to remain anchored within the CBK target, supported by favorable weather conditions and stable energy prices. However, upside risks persist due to global oil market volatility and the recent 25 bps cut in the Central Bank Rate (CBR) to 9.5%, which could gradually increase money supply and stimulate inflationary pressures.

Liquidity

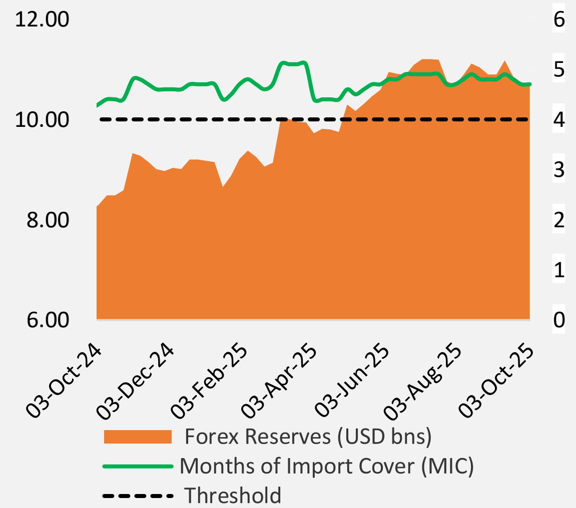
- Liquidity conditions across the money market **tightened** as evidenced by the 3.82 bps increase in average interbank rate to 9.51% from 9.47%. We expect the average interbank rate to continue tracking the Central Bank Rate closely.

Chart 2: KES-USD Exchange Rate



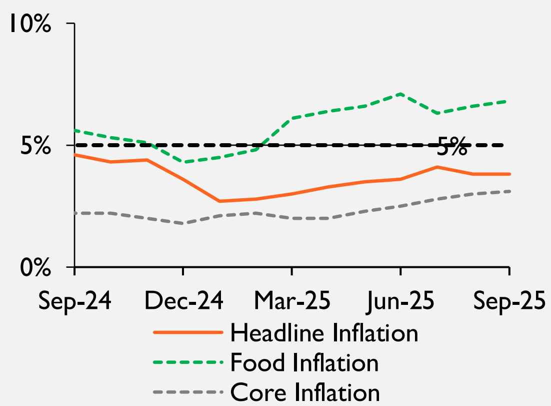
Source: Central Bank of Kenya, AIB-AXYS Africa Research

Chart 3: Forex reserves



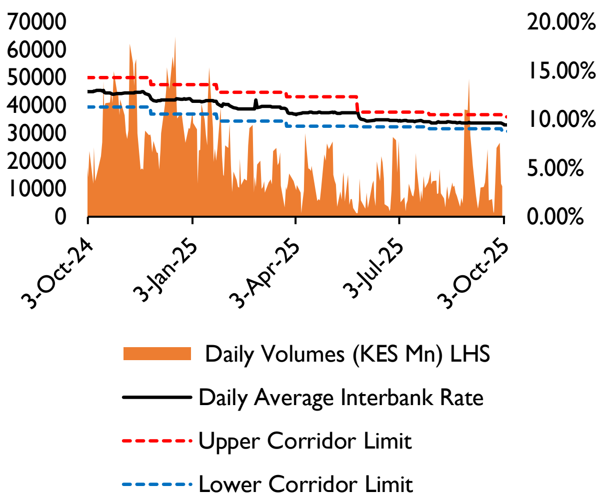
Source: Central Bank of Kenya, AIB-AXYS Africa Research

Chart 4: Inflation M/M



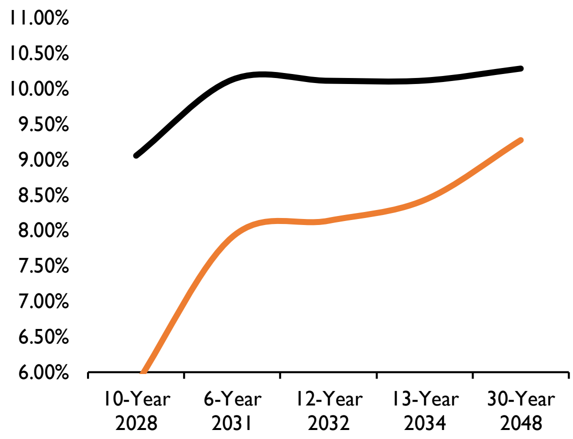
Source: KNBS, AIB AXYS Africa Research

Chart 5: Interbank Rate and Volume



Source: Central Bank of Kenya, AIB-AXYS Research

Chart 6: Kenya Eurobond Yield Curve



Source: Bloomberg

Company	Interim/Special Dividend	Final Dividend	Book Closure	Dividend Payment
KCB Group	(Interim &Final) KES 4.00		3-Sep-25	11-Nov-25
East African Breweries		KES 5.50	16-Sep-25	28-Oct-25
ABSA Bank Kenya	KES 0.20		19-Sep-25	15-Oct-25
Standard Chartered Bank	KES 8.00		11-Sep-25	7-Oct-25
Jubilee Holdings Ltd	KES 2.00		5-Sep-25	9-Oct-25
BOC Kenya Plc	KES 2.50		20-Sep-25	14-Oct-25
Centum Investment Co Plc*		KES 0.32	9-Oct-25	

Source: Nairobi Securities Exchange

MACROECONOMIC CALENDAR

Event	Date
MPC Meeting	7th October 2025
Weekly CBK T-Bill Auction	9th October 2025

Summary Macroeconomics Stats

Summary Macroeconomic Stats

Statistic	Updated as of:	Current	Previous	∆
GDP Growth	Q1'25	4.9%	5.0%	▼ (10bps)
Headline Inflation	September-25	4.6%	4.5%	▲ 10.0bps
Central Bank Rate	August-25	9.5%	9.8%	▼ (25.0bps)
Stanbic Kenya PMI	September-25	51.9	49.4	▲ 0.1bps
Private Sector Credit Growth	July-25	3.3%	2.2%	▲ 110.0bps
Forex Reserves (USD M)	September-25	10.735	10.889	▼ (1.4%)
Public Debt (KES Tn)	June-24	10.56	10.44	▲ 0.0bps

AIB-AXYS Weekly Global Markets Note

6th October 2025

• Global Markets Commentary

- The government shutdown, which seemed very likely in the United States, impacted the release of key data, including the U.S. jobs report that was scheduled for last Friday. Republicans and Democrats remain at loggerheads over government spending. Democrats are taking advantage of the standoff to push for the continuation of healthcare subsidies that were planned to end. With the upcoming midterm elections, Republicans are expected to yield to pressure from Democrats and extend the healthcare subsidies. Historically, previous government shutdowns have had little or no impact on the markets. Most key indices in the United States closed the week with gains. However, this was not the case for the U.S. dollar, which retreated, with the U.S. dollar index closing at 97.11, shedding 48 bps. A prolonged shutdown, however, may trigger some pullbacks, as slower government spending could weigh on economic growth and impact GDP performance. Fiscal concerns may also resurface, especially since the United States was recently downgraded due to its sovereign debt position. It would have been helpful if the jobs data had been released before the next Federal Reserve meeting. However, the market has already priced in a 25-bps adjustment at the upcoming meeting, in response to signs of a softening labor market.
- In the Eurozone, inflation rose to 2.2% in September from 2.0% in August, slightly below market expectations of 2.3% but still above the European Central Bank target of 2.0%. The increase was driven by higher prices in fuel, food and alcohol. The market now expects the European Central Bank to maintain its policy rate at 2.0% in the next meeting.

• Select Global Market Indices

Indices	Current	Previous	w/w % change
S & P 500	6,716	6,644	▲ 1.1%
DAX	24,379	23,739	▲ 2.7%
Nikkei 225	45,770	45,355	▲ 0.9%
Hang Seng	27,141	26,128	▲ 3.9%
FTSE 100 (FTSE)	9,491	9,285	▲ 2.2%
Dow Jones	46,758	46,247	▲ 1.1%
Median			**▲ 1.7%**

Source: *Investing.com AIB AXYS Research*

- In the U.S, investors shrugged off government shutdown concerns, as the S&P 500 and Dow Jones each gained 1.1% on a weekly basis. The healthcare sector propels the market rally, rising 1.13% on Friday. Gains in major pharmaceutical counters followed President Trump's announcement of plans for a direct-to-consumer website that would allow Americans to purchase drugs directly. Expectations of a potential compromise in healthcare policy also buoyed sentiment, with Republicans seeking to avoid the political fallout of ending healthcare subsidies ahead of the upcoming elections.
- Across Europe, the DAX and FTSE 100 recorded some of their strongest weekly gains, rising 2.7% and 2.2%, respectively. The healthcare sector led the advance, with AstraZeneca and Novo Nordisk climbing 1.6% and 2.1% on Friday. The sector rebounded from prior-week losses after easing uncertainty surrounding Pfizer's drug pricing, following the recent tariff announcements. In Asia, Hong Kong's Hang Seng surged 3.9% week-on-week, while Japan's Nikkei 225 rose 0.9%, mainly supported by gains in technology stocks. Optimism in the AI sector lifted sentiment after the announcement of a strategic partnership between Hitachi and OpenAI.

• Fixed Income:

Bond	Current	Previous	w/w change
US 10 Yr Yield	4.12%	4.18%	▼ (5.5bps)
UK Gilt 10 Year Yield	4.70%	4.76%	▼ (6.2bps)
Bund 10Y	2.70%	2.75%	▼ (5.2bps)
Japan 10 Year Yield	1.67%	1.66%	▲ 0.6bps

Source: Investing.com, Bloomberg, AIB AXYS Research

- The U.S. 10-year Treasury yield declined by 5.5 bps to 4.12%, with no official jobs data released on Friday due to the government shutdown. However, unofficial indicators continued to point to a softening labor market. Despite persistent inflationary pressures, markets still anticipate two rate cuts before 2026.
- In Europe, yields on the UK 10-year Gilt eased by 6.2 bps to 4.70%, amid sticky inflation driven by rising labor costs, as firms gradually pass these costs on to consumers. The Bank of England (BoE) is expected to hold rates steady, with rate cuts likely to begin in 2026. The German 10-year Bund also eased 5.2 bps week-on-week to 2.70%, while Eurozone inflation stood at 2.2% slightly below expectations but still above the ECB's 2.0% target. This supports expectations of possible rate easing in the near term.
- Meanwhile, Japan's 10-year government bond bucked the market trend, inching up 0.6 bps to 1.67%. Data showed the unemployment rate rising to 2.6%, higher than the expected 2.4%, while persistent inflation continues to erode corporate margins, particularly in the automotive sector,

• Currencies:

Currency	Current	Previous	w/w change
AUD/USD	0.6604	0.6546	▲ 89bps
USD/JPY	147.45	149.51	▼ (138bps)
GBP/USD	1.3480	1.3405	▲ 56bps
EUR/USD	1.1743	1.1702	▲ 35bps
US Dollar Index	97.711	98.182	▼ (48bps)

Source: *Investing.com AIB AXYS Research*

- After recording gains in the previous week, the U.S. dollar index lost ground against major currencies, declining by 48 bps to close the week at 97.711, down from 98.182. Notably, the Japanese yen posted the strongest performance, appreciating by 138 bps to end the week at 147.45, as the U.S. grappled with the ongoing government shutdown. Expectations of a rate hike in the upcoming October 30 meeting by the Bank of Japan also buoyed the yen, further supported by the potential election victory of Agriculture Minister Shinjiro Koizumi, who is widely perceived to support tighter monetary policy. Should the U.S. government shutdown persist, the yen's rally may extend further, driven by its traditional safe-haven appeal.
- The U.S. Dollar also lost against the Sterling Pound, Euro, and Australian Dollar by 56 bps, 35 bps, and 89 bps, respectively, on a weekly basis.

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