Weekly Market Performance Summary- Week ending 19th September 2025

EQUITIES PULSE

Market Indicators: The equities market closed bearish, with NASI down 2.90% to 173.50, NSE 20 falling 3.82% to 2,903.15, and NSE 25 shedding 2.75% to 4,499.62. Market capitalization declined 2.90% to Kes. 2,733.52Bn. However, trading activity picked up, with volumes up 33.97% to 18.89Mn shares and turnover surging 92.54% to Kes. 573.32Mn.

Gainers/Losers: Limuru Tea (+9.92%), Olympia Capital (+8.27%), and Unga Group (+6.65%) led the week's gainers on strong investor demand, while Home Afrika (-33.73%), CIC Insurance (-20.00%), and Umeme Ltd (-12.58%) topped the losers, reflecting profit-taking and sector-specific pressures.

Top Movers: Equity Group dominated activity with Kes. 1.71Bn in turnover, followed by KCB Group (Kes. 980.23Mn), Safaricom (Kes. 897.97Mn), Absa (Kes. 465.48Mn), and Stanbic (Kes. 236.02Mn), underscoring banking and telecom counters' continued market leadership.

Foreign Participation: Foreign investors remained net sellers, with significant outflows from Equity Group (-Kes. 943.48Mn), Safaricom (-Kes. 761.87Mn), and KCB (-Kes. 532.39Mn). Inflows were modest, led by DTB Group (+Kes. 28.85Mn), KenGen (+Kes. 0.62Mn), and Kapchorua Tea (+Kes. 0.20Mn), highlighting selective interest amid broad exits.

Upcoming Corporate Actions:

- BAT: Interim dividend Kes 10.00/share; books closed 29-Aug-25; payment 26-Sep-25.
- Stanbic Holdings: Interim dividend Kes 3.80/share; books closed 02-Sep-25; payment 29-Sep-25.

FIXED INCOME PULSE

Primary Market:

During the week, the Central Bank of Kenya, acting in its fiscal capacity raised KES 63.15Bn, driven largely by the September bond issuances.

Treasury bills were undersubscribed, with overall performance easing to 95.7% from 161.5% previously, likely weighed down by the concurrent bond sale. The 364-day paper attracted the highest demand, signaling investors' stronger preference for return over duration. Yields on the papers held relatively steady, though the general trend remained downward as the effects of recent monetary policy adjustments continue to filter through.

The second tranche of the September bonds drew robust investor interest, with bids totaling KES 97.29Bn against a KES 40.0Bn target — a subscription rate of 243.2%. Notably, FXD1/2022/25 was favored over FXD1/2018/20 despite its longer effective tenor, underscoring investors' clear tilt toward return maximization. In the end, CBK accepted 63.2% of the bids, maintaining a firm stance against highly priced offers. The weighted average accepted rates settled at 13.58% for FXD1/2018/20 and 14.14% for FXD1/2022/25.

Secondary Market

Secondary bond market activity rebounded strongly, with turnover surging 40.8% to KES 55.40Bn from KES 39.36Bn the previous week, supported by a rise in deals to 1,069 from 951. Trading was largely centered on recently reopened papers, led by FXD1/2012/20. Infrastructure bonds also remained investor favorites, with IFB1/2022/19Yr accounting for KES 8.20Bn and IFB1/2018/15Yr for KES 5.40Bn.

Money Market

The Kenya Shilling Overnight Interbank Average (KESONIA) held steady at 9.46%, unchanged from the previous week. Interbank trading volumes, however, declined sharply to an average of KES 3.85Bn from KES 15.01Bn, a 74.4% week-on-week drop. The contrasting trends point to ample liquidity in the market, with banks seemingly favoring Open Market Operations as an alternative channel.

Overall, the money market remained liquid, with excess reserves standing at KES 11.10Bn above the 3.25% CRR requirement.

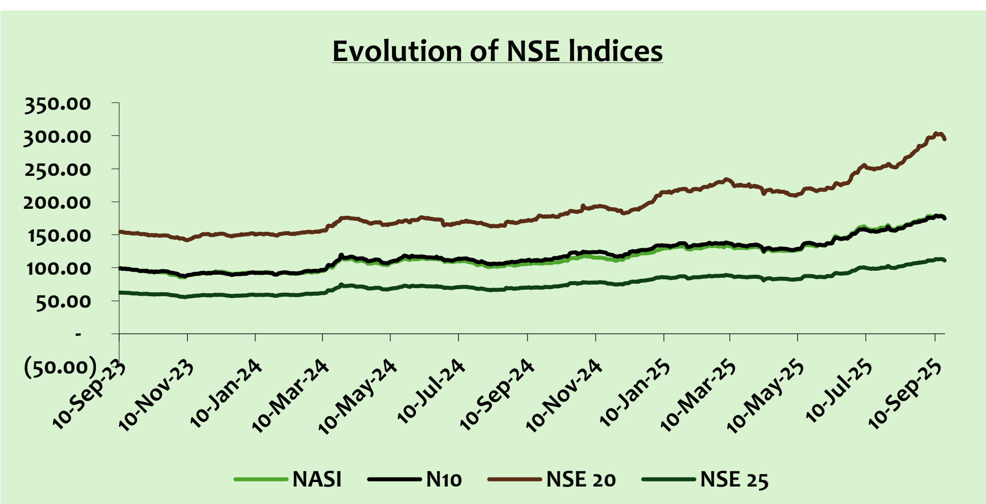
Local & International Yields

The yield curve posted a mixed performance during the week, with gains in some maturities offset by declines in others, leaving the curve broadly stable overall.

On the international front, yields on Kenyan Eurobonds extended their decline, with the shortest tenor now trading at pre-2022 levels. The gradual easing underscores improving investor sentiment, supported by favorable local developments.

WEEKLY SUMMARY TABLES

Market Indicators Indicator	12-Sep	19-Sep	W/W %Change	YTD %Change
NSE10 Share Index	1777.19	1725.26	-2.92%	29.97%
NSE20 Share Index	3018.52	2903.15	-3.82%	41.02%
NSE25 Share Index	4626.68	4499.62	-2.75%	30.13%
NASI	178.69	173.5	-2.90%	38.42%
Mkt Capitalization (Bn)	2815.23	2733.52	-2.90%	38.83%
Volumes Traded (Mn)	14.1	18.89	33.97%	107.13%
Equities Turnover (Mn)	297.76	573.32	92.54%	271.15%



Top Gainers Stock	Share Price 12-Sep	Share Price 19-Sep	W/W %Change	YTD %Change
The Limuru Tea Co. Plc	310.00	340.75	9.92%	-2.64%
Olympia Capital Holdings	5.08	5.50	8.27%	95.73%
Unga Group Ltd	21.80	23.25	6.65%	55.00%
E.A.Portland Cement	54.00	57.25	6.02%	97.07%
Eveready East Africa	1.34	1.42	5.97%	21.37%

Top Losers Stock	Share Price 12-Sep	Share Price 19-Sep	W/W %Change	YTD %Change
Home Afrika Ltd	1.69	1.12	-33.73%	202.70%
CIC Insurance Group	5.40	4.32	-20.00%	101.87%
Umeme Ltd	9.54	8.34	-12.58%	-50.06%
Flame Tree Group	1.91	1.69	-11.52%	76.04%
Africa Mega Agricorp	72.00	65.00	-9.72%	-7.14%

Top Movers Stock	Share Price 12-Sep	Share Price 19-Sep	Mkt Turnover (Kes. Mn)
Equity Group	54.25	54.00	1705.88
KCB Group	53.00	53.75	980.23
Safaricom	29.45	28.70	897.97
ABSA Group	23.05	21.25	465.48
Stanbic Holdings	180.25	181.25	236.02

Top Foreign Buys Stock	Share Price 19-Sep	Foreign Buys (Kes. Mn)
Equity Group	54.00	616.16
DTB Group	104.69	30.14
KCB Group	53.78	14.89
Safaricom	28.71	11.16
EABL Plc	211.81	5.98

Top Foreign Sells Stock	Share Price 19-Sep	Foreign Sells (Kes. Mn)
Equity Group	54.00	1559.64
Safaricom	28.71	773.03
KCB Group	53.78	547.28
ABSA Group	21.27	325.89
Stanbic	181.31	215.34

Top Foreign Net Inflows Stock	Share Price 19-Sep	Net Inflows (Kes. Mn)
DTB Group	104.69	28.85
KenGen	9.10	0.62
Kapchorua Tea Kenya	326.99	0.20
Co-op Bank	19.17	0.15
Carbacid Investments	25.12	0.03

Top Foreign Net Outflows Stock	Share Price 19-Sep	Net Outflows (Kes. Mn)
Equity Group	54.00	-943.48
Safaricom	28.71	-761.87
KCB Group	53.78	-532.39
ABSA Group	21.27	-325.86
Stanbic	181.31	-215.28

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Foreign Exchange Trends

The Kenyan shilling remained stable against the U.S. dollar, closing the week at Kes. 129.24/USD, unchanged from the previous week (0.00% W/W). It edged weaker against the euro, gaining 0.49% to Kes. 152.21/EUR, and slightly depreciated against the British pound, rising 0.13% to Kes. 175.41/GBP. Regionally, the shilling lost 0.18% against the Ugandan shilling, trading at 27.10 KES/USH, but strengthened 0.63% against the Tanzanian shilling to 19.15 KES/TSH. Overall, the week reflected relative stability with minor shifts, indicating subdued FX volatility ahead of key regional economic developments.

Weekly Foreign Exchange Rates				
Currency	12-Sep	19-Sep	W/W %Change	YTD %Change
USD/KES	129.24	129.24	0.00%	-0.04%
EUR/KES	151.47	152.21	0.49%	13.34%
GBP/KES	175.19	175.41	0.13%	8.10%
KES/USH	27.15	27.10	-0.18%	-4.61%
KES/TSH	19.03	19.15	0.63%	0.84%

Over the same week, foreign exchange reserves closed a USD 10.86Bn, a 2.8% decline from USD 11.17Bn, the previous week and lowering the months of import cover to 4.8. However, the reserves remain above CBK's statutory requirement of 4 months.

COMPANY NEWS

Profit Warning Clouds Stanchart's 2025 Outlook

This week, Standard Chartered Bank Kenya issued a profit warning for FY2025, cautioning that net earnings could fall by up to 25.00% compared to last year. The warning follows the Supreme Court's recent pension case ruling, which requires the bank to refund about Kes. 1.10Bn and recalculate benefits for 629 retirees, with arrears and interest potentially pushing the liability to more than Kes. 7.00Bn. These obligations, recognized under IAS 19 Employee Benefits, are expected to weigh heavily on profitability. Management reassured stakeholders that the bank remains adequately capitalized and will continue executing its strategic focus on wealth management and cross-border services. The warning signals possible short-term share price pressure as markets adjust to reduced earnings, though the lender's strong capital buffers and strategic positioning may help stabilize sentiment in the medium term.

Profit Warning Highlights Revenue Halt at Umeme

The Board of Umeme Ltd announced that the company registered a loss for FY2024, as confirmed at the AGM on 18 July 2025, and further reported that its half-year results to 30 June 2025 indicate another consecutive loss. The company attributed the poor performance to the cessation of revenue generation following the natural expiry of its electricity distribution concession in March 2025. Umeme is currently pursuing claims against the Government of Uganda through arbitration proceedings, with further details expected in the interim financial statements for the period ended 30 June 2025. With revenue streams halted and arbitration outcomes still pending, the stock faces significant uncertainty. Investors are likely to adopt a cautious stance until clarity emerges on potential compensation, which will be critical in determining the company's residual value and payout prospects.

GLOBAL NEWS

Global Inflation and Fed Cut Ease Pressures

Inflation concerns in advanced economies eased slightly in the week ending September 19, with UK headline inflation steady at 3.80% in August while core inflation edged down to 3.60% from 3.80% in July. The U.S. Federal Reserve delivered its first 2025 rate cut, lowering the federal funds rate by 25bps to 4.00%–4.25%, citing slowing growth and labour market weakness. The U.S. Dollar Index slipped 0.10% on fiscal and trade deficit concerns, while oil prices were stable, with Murban crude inching up to USD 69.95 per barrel from USD 69.39 a week earlier amid soft U.S. demand and expected OPEC+ supply increases.

Meanwhile, the U.S. Federal Reserve cut its benchmark rate by 0.25 percentage points, a move that could ease Kenya's nearly Kes. 1.00 Trn debt exposure tied to SOFR, including Kes. 129.00 Bn in SGR servicing and Kes. 83.49 Bn in syndicated payments this year. Lower U.S. rates are expected to trim interest costs and provide short-term fiscal relief.

In parallel, Kenya is negotiating to convert the $5.08 Bn (Kes. 657.00 Bn) SGR loan into renminbi, potentially halving interest charges to around 3.00% but increasing exposure to yuan exchange risks. With debt repayments already consuming over 44.00% of the Kes. 4.29 Trn budget, these developments are critical for fiscal sustainability. Reduced borrowing costs may free funds for investment and bolster market confidence, though external rate cycles and currency volatility remain key risks.

MARKET SUMMARY

SECTOR	Share Price 12-Sep	Share Price 19-Sep	W/W %Change	YTD % Change	Market Turnover (Kes. Mn)
AGRICULTURAL					
Eaagads Ltd	20.35	20.00	-1.72%	66.67%	0.42
Kakuzi Plc	388.50	395.50	1.80%	0.76%	0.13
Kapchorua Tea Kenya	327.00	327.00	0.00%	36.68%	1.78
The Limuru Tea Co. Plc	310.00	340.75	9.92%	-2.64%	0.21
Sasini Plc	18.10	19.00	4.97%	26.67%	3.21
Williamson Tea Kenya Plc	240.00	241.00	0.42%	7.23%	1.32
AUTOMOBILES & ACCESSORIES					
Car & General (K) Ltd	38.85	36.65	-5.66%	46.60%	0.47
BANKING					
ABSA Group	23.05	21.25	-7.81%	12.73%	465.48
BK Group	37.70	38.55	2.25%	10.14%	6.48
DTB Group	105.25	104.75	-0.48%	56.93%	36.86
Equity Group	54.25	54.00	-0.46%	12.50%	1705.88
HF Group	11.00	10.10	-8.18%	119.57%	23.50
I&M Group	43.75	43.00	-1.71%	19.44%	35.25
KCB Group	53.00	53.75	1.42%	26.77%	980.23
NCBA Group	72.50	68.50	-5.52%	34.31%	41.90
Stanbic Holdings	180.25	181.25	0.55%	29.70%	236.02
StanChart Bank Kenya	304.50	284.00	-6.73%	-0.44%	145.13
Co-op Bank Group	19.90	19.15	-3.77%	9.74%	55.96
COMMERCIAL AND SERVICES					
Deacons (East Africa)	0.45	0.45	0.00%	0.00%	0.00
Eveready East Africa	1.34	1.42	5.97%	21.37%	1.63
Express Kenya	8.88	8.24	-7.21%	128.89%	0.72
Homeboyz Entertainment	4.66	4.66	0.00%	0.00%	0.00
Kenya Airways Ltd	4.34	4.06	-6.45%	6.01%	6.32
Longhorn Publishers	2.86	3.00	4.90%	30.43%	0.26
Nairobi Business Ventures	1.65	1.63	-1.21%	-18.91%	1.74
Nation Media Group	13.80	13.15	-4.71%	-8.68%	0.44
Sameer Africa	14.10	14.90	5.67%	510.66%	8.46
Standard Group	6.08	6.00	-1.32%	20.24%	0.02

TPS Eastern Africa Ltd	17.70	16.85	-4.80%	6.31%	0.23
Uchumi Supermarket	0.34	0.35	2.94%	118.75%	0.66
WPP Scangroup	2.88	2.83	-1.74%	12.75%	0.37
CONSTRUCTION & ALLIED					
ARM Cement Plc	5.55	5.55	0.00%	0.00%	0.00
Bamburi Cement	54.00	54.00	0.00%	-1.82%	0.00
Crown Paints Kenya	51.00	49.40	-3.14%	45.72%	0.20
E.A.Cables Ltd	1.71	1.71	0.00%	61.32%	0.00
E.A.Portland Cement	54.00	57.25	6.02%	97.07%	1.08
ENERGY & PETROLEUM					
KenGen Co.	9.56	9.10	-4.81%	142.67%	67.90
KPLC Ord 2.50	14.40	14.25	-1.04%	175.10%	70.92
KPLC 4% Pref 20.00	4.10	4.10	0.00%	2.50%	0.00
KPLC 7% Pref 20.00	6.00	6.00	0.00%	0.00%	0.00
TotalEnergies Marketing	37.55	34.15	-9.05%	67.81%	6.14
Umeme Ltd	9.54	8.34	-12.58%	-50.06%	16.11
INSURANCE					
Britam Holdings	8.88	8.80	-0.90%	51.20%	4.05
CIC Insurance Group	5.40	4.32	-20.00%	101.87%	8.10
Jubilee Holdings Ltd	310.75	324.25	4.34%	85.55%	102.99
Kenya Re	3.33	3.14	-5.71%	132.59%	42.73
Liberty Kenya Holdings	11.00	10.25	-6.82%	52.99%	3.78
Sanlam Kenya	9.18	9.10	-0.87%	83.84%	1.30
INVESTMENT					
Centum Investment	13.95	14.35	2.87%	40.69%	6.02
Home Afrika Ltd	1.69	1.12	-33.73%	202.70%	5.62
Kurwitu Ventures Ltd	1500.00	1500.00	0.00%	0.00%	0.00
Olympia Capital Holdings Ltd	5.08	5.50	8.27%	95.73%	0.69
Trans-Century Plc	1.12	1.12	0.00%	180.00%	0.00
INVESTMENT SERVICES					
Nairobi Securities Exchange	15.50	14.20	-8.39%	140.68%	3.67
MANUFACTURING & ALLIED					
B.O.C Kenya	121.25	124.25	2.47%	40.00%	1.52

BAT Kenya	442.00	415.00	-6.11%	10.30%	149.45
Carbacid Investments	24.00	25.10	4.58%	23.34%	2.63
EABL	223.00	211.75	-5.04%	20.66%	177.83
Flame Tree Group	1.91	1.69	-11.52%	76.04%	1.66
Africa Mega Agricorp	72.00	65.00	-9.72%	-7.14%	0.07
Mumias Sugar	0.27	0.27	0.00%	0.00%	0.00
Unga Group Ltd	21.80	23.25	6.65%	55.00%	0.27
Shri Krishana Overseas	8.20	8.36	1.95%	41.69%	0.31
TELECOMMUNICATION					
Safaricom	29.45	28.70	-2.55%	66.86%	897.97
REAL ESTATE INV. TRUST					
LAPTRUST IMARA I-REIT	20.00	20.00	0.00%	0.00%	0.00
EXCHANGE TRADED FUNDS					
ABSA New Gold ETF	4390.00	4430.00	0.91%	35.89%	1.65
Satrix MSCI World Feeder ETF	822.00	832.00	1.22%	9.33%	1.14

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