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Weekly Market Performance Summary- Week ending 6th February 2026

Some weeks, opening remarks flow effortlessly; other weeks, the ink appears to run dry. Yet, on closer inspection, there is always something worth writing home about. This past week was one such case. S&P Global released its latest assessment of private sector business conditions, and the numbers told a quietly encouraging story.

In January, business activity improved, albeit at a slower pace than in December — an unsurprising moderation given the festive-season effect on economic momentum.

Beyond the real economy, financial markets delivered a more animated performance. Fixed income markets saw a strong resurgence in demand, with Treasury bill subscriptions climbing to an almost one-year high. Meanwhile, the equities market was firmly in form, marked by robust activity and broad-based gains across the board.

In the Report:

Fixed Income Pulse: The offer for the February bonds, FXD3/2019/25 and FXD1/2018/25, closes on Wednesday 11th February 2026.

Equities Pulse: Positive; NASI +3.77%, NSE 10 +2.33%, NSE 20 +1.46%, NSE 25 +2.24%, Banking +1.62%; Market Cap at Kes. 3.20Trn.

Corporate News: Kenya Power releases HY results, Safaricom declares interim dividend, as Standard Group suspends proposed rights issue

MACRO LENS

Private Sector Business Conditions – January 2026:

Private sector business conditions in January remained firmly expansionary, albeit at a slower pace. The Stanbic Bank Kenya PMI eased to 51.9 from 53.7 in December—the fifth straight month of expansion, signaling an overall improvement in operating conditions. See the chart below:



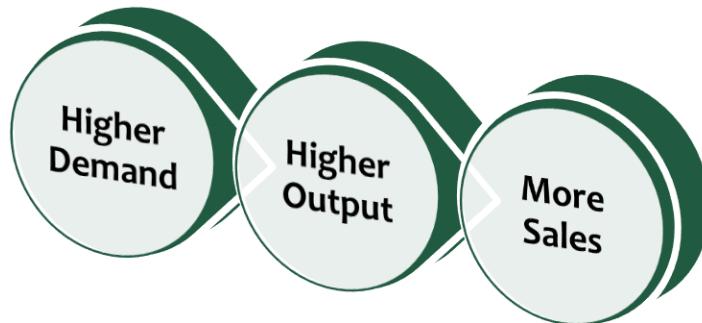
Source: S&P Global | Chart: KSL

Activity and new business continued to grow at solid rates but softened to four-month lows, reflecting a moderation in sales momentum. Growth was uneven across sectors, with manufacturing recording the strongest gains, while construction and wholesale & retail faced outright declines in demand.

Employment and purchasing expanded more modestly as firms worked through a sharp reduction in backlogs, pointing to improved operational efficiency and some concerns around excess capacity.



The key drivers of activity were demand-side improvements, supported by increased customer referrals, effective marketing, competitive pricing, and improved access to credit, which enabled firms to raise output.



Supply chain conditions continued to strengthen, with supplier delivery times shortening for a full year, reflecting heightened competition among vendors. However, cost pressures remained elevated. Firms reported higher input prices, tax charges, import fees, staff costs, and rising technology expenses, which fed into higher operating costs. Despite this, output price inflation was restrained, as competitive pressures and concerns over slowing growth limited firms' ability to pass on costs fully.

Looking ahead, business confidence improved modestly, with output expectations rising to a five-month high. Firms expressed optimism around demand prospects over the next 12 months, underpinned by expansion plans, increased marketing efforts, diversification strategies, and contract bids.

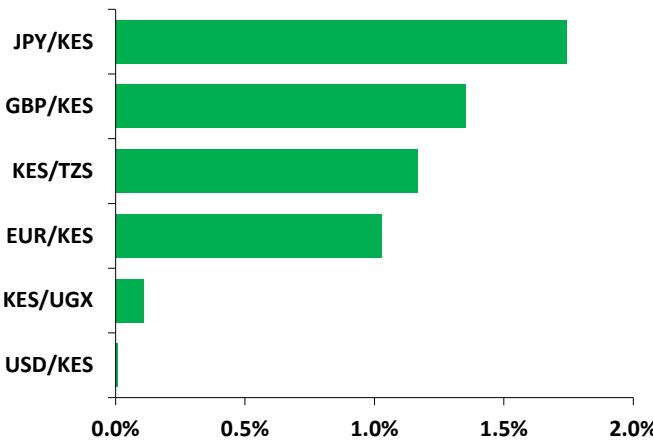
Despite higher cost pressures, easing inflation and lower lending rates following the full implementation of the new lending model at least by the end of February which means more access to capital, will be a supportive backdrop. Overall, the January PMI points to a resilient but cooling private sector, where growth is continuing but increasingly dependent on efficiency gains, competitive pricing, and targeted demand stimulation rather than broad-based momentum.

Foreign Exchange:

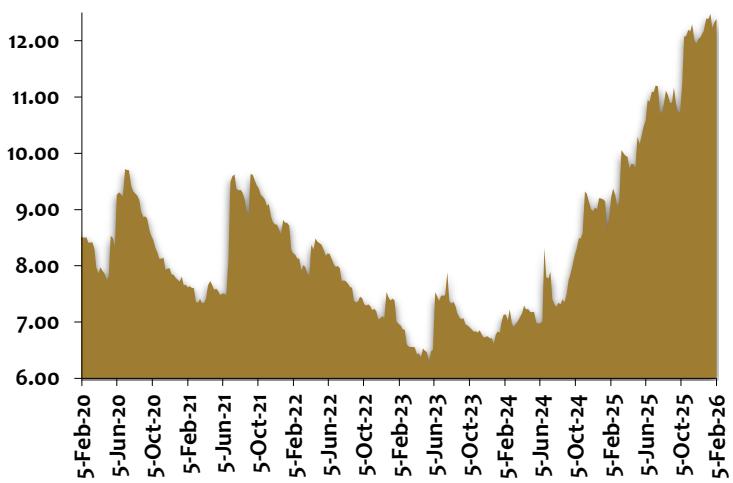
The Kenyan Shilling strengthened against all currencies in our coverage universe, although gains against the US dollar remained modest. The appreciation reflects improved sentiment on the external front, supported by confidence following the country's credit rating developments.

Meanwhile, foreign exchange reserves edged higher to USD 12.39Bn from USD 12.33Bn last week, remaining near historically elevated levels. See the chart below:

W/W KES Performance



Kenya's Forex Reserves (USD BN)



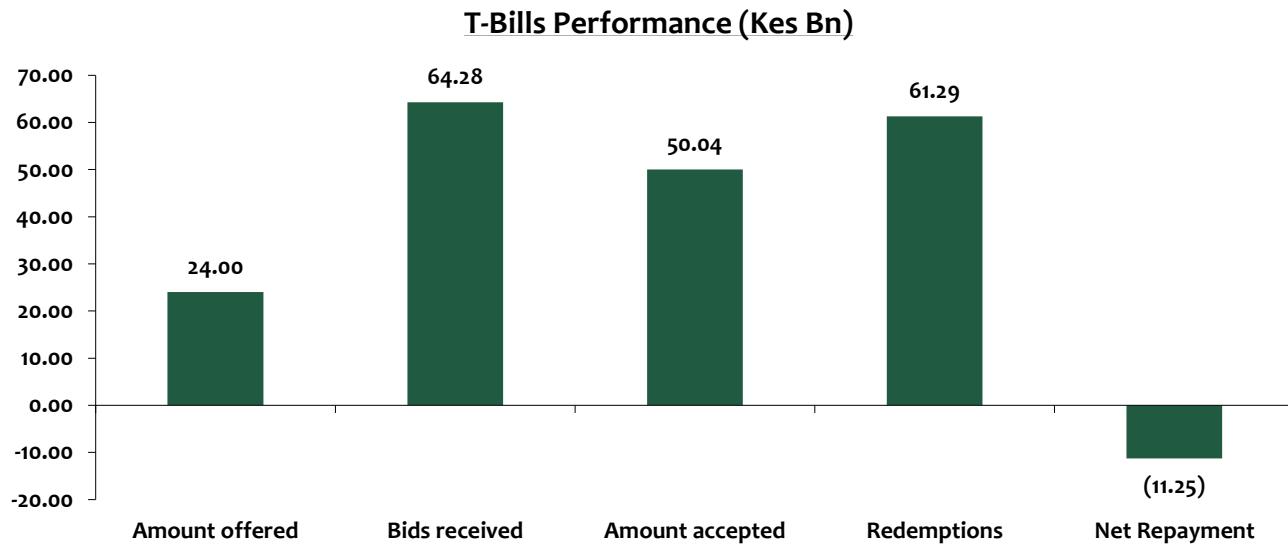
Source: CBK | Chart: KSL

FIXED INCOME PULSE

Primary Market Activity:

Demand for Treasury bills rebounded sharply, buoyed by sizable concurrent maturities, pushing subscriptions to an almost one-year high. The overall subscription rate surged to 267.8%, up from 76.5% in the previous auction. Investor appetite was strongest for the 364-Day paper, which recorded a 508.3% subscription rate — the highest level in recent memory.

The fiscal agent received bids worth Kes. 64.28Bn against an offer size of Kes. 24.00Bn and accepted Kes. 50.04Bn, with the 364-Day paper accounting for 73.1% of the accepted bids. This resulted in a net repayment position of Kes. 11.25Bn, taking into account concurrent maturities amounting to Kes. 61.29Bn. The overall performance of the T-Bills is summarized below:



Source: CBK | Chart: KSL

Yields on the short-term papers remained broadly stable this week, with the 91-day, 182-day, and 364-day papers printing at 7.630%, 7.788%, and 9.200%.

In the same week, liquidity remained ample even though interbank volumes dropped by a further 44.5% to Kes 6.46Bn, from Kes 11.64Bn. Interbank rates however remained unchanged at 8.99%. We also note that some participant(s) tapped CBK's discount window pointing towards uneven liquidity.

Treasury Bonds

In the primary bond market, the Central Bank of Kenya (CBK) has reopened two bonds for the month of February, FXD3/2019/25 and FXD1/2018/25, with effective tenors to maturity of 8.5 years and 17.3 years, respectively as shown below:

Paper	Capital Raising	
	FXD3/2019/15	FXD1/2018/25
Maturity Date	10-Jul-34	25-May-43
Effective Tenor (Years)	8.5	17.3
Amount Floated (Kes. Bn)	50.0	
Amount Outstanding (Kes. Bn)	74.11	133.70
Coupon	12.34%	14.19%
Sale Period	Up to 11th February 2026	

Source: CBK | Chart: KSL

The offer period closes on 11th February 2026. Watch out for our bidding estimates and market expectations later in the day.

Secondary Market

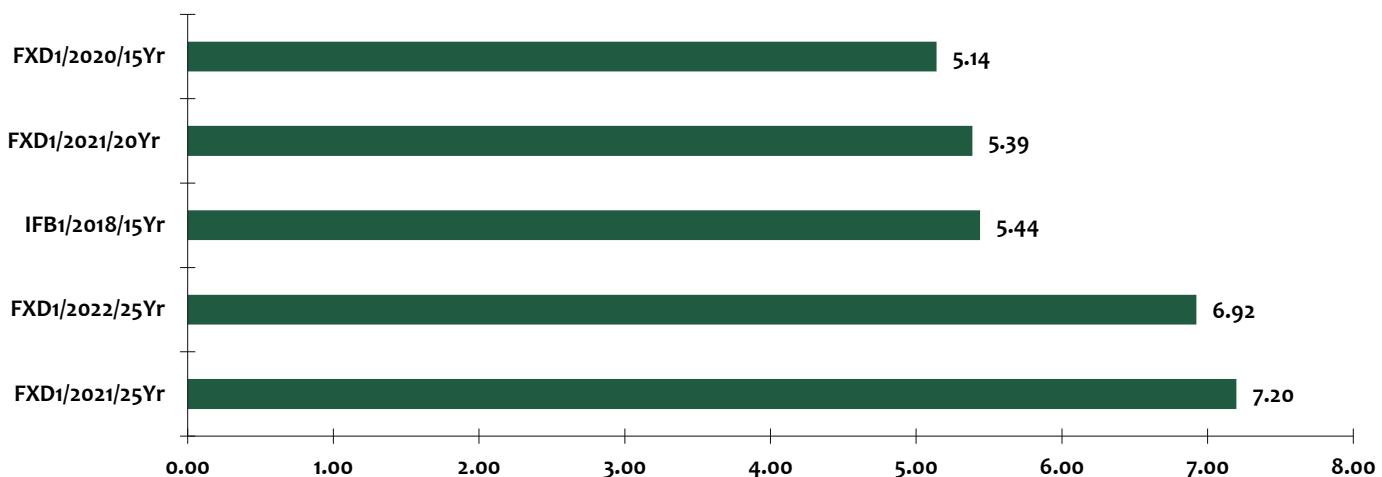
Secondary bond market activity eased during the week, with turnover dropping by 20.2% to KES 57.52Bn from KES 72.11Bn the previous week, in tandem with a 15.5% decrease in the number of deals. See the table below:

	Previous Week	Current Week	Change
Turnover in Bonds (Kes Bn)	72.11	57.52	-20.2%
Number of Deals	1098	928	-15.5%

Source: NSE | Table: KSL

The bonds below were the most traded:

Most Traded Bonds



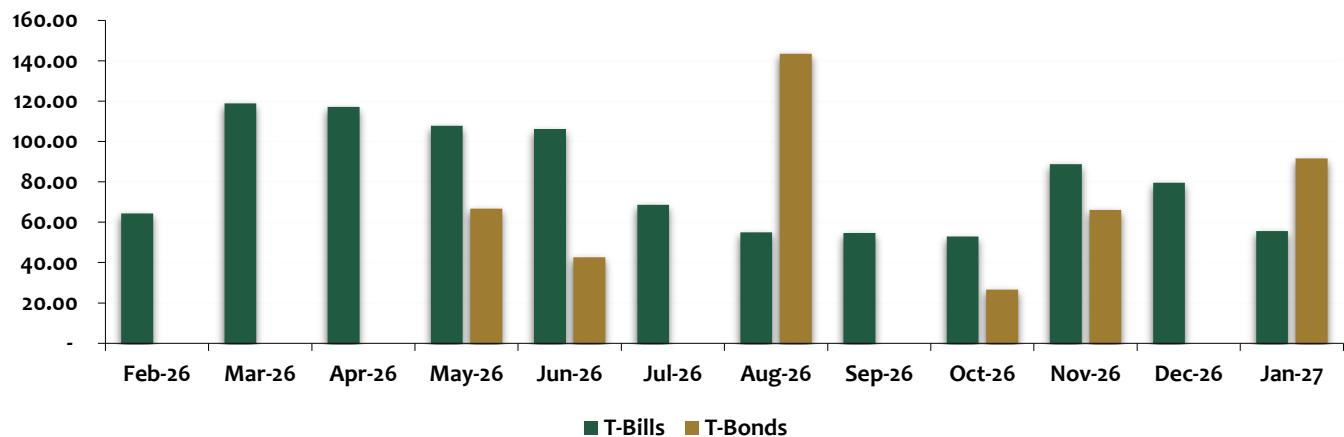
Source: NSE | Chart: KSL

Domestic Debt Service Schedule:

The maturity profile for the next one year is as follows:

- i. KES 969.49Bn in Treasury Bills
- ii. KES 437.13Bn in Treasury Bonds – the maturities are well spread with the next redemption set for May 2026
- iii. KES 691.73Bn in coupon payments. See the chart below for a visual presentation:

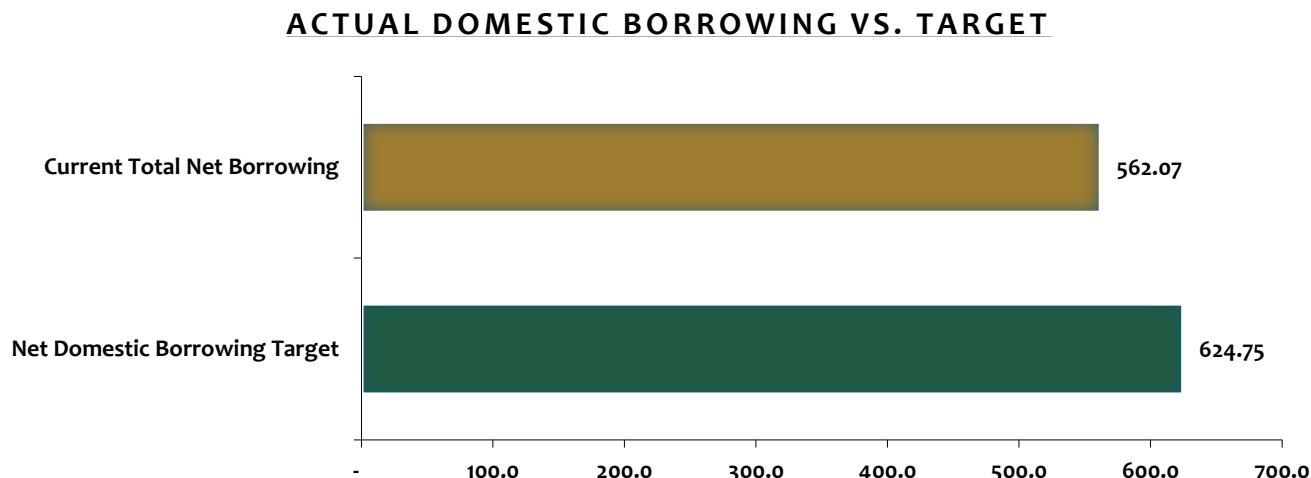
T-Bill vs. T-Bond Maturities (Kes. Bn)



Source: CBK, NSE | Chart: KSL

Government Borrowing Position:

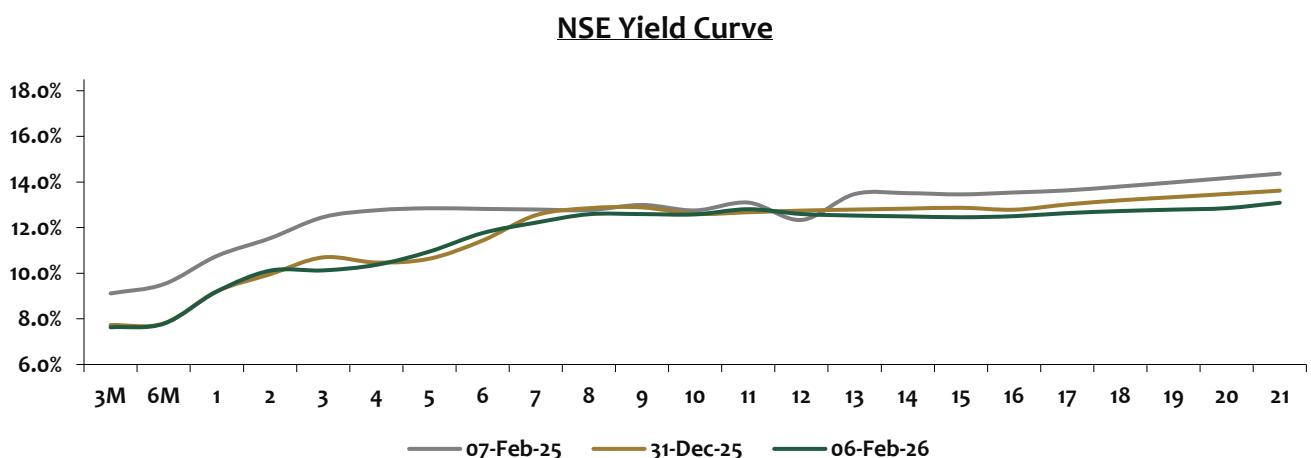
As of this week, the government's net domestic borrowing stands at Kes 562.07Bn—equivalent to 90.0% of the FY2025/26 target—outpacing the pro-rated target of Kes 396.47Bn. See the visual below:



Source: CBK, NSE | Chart: KSL

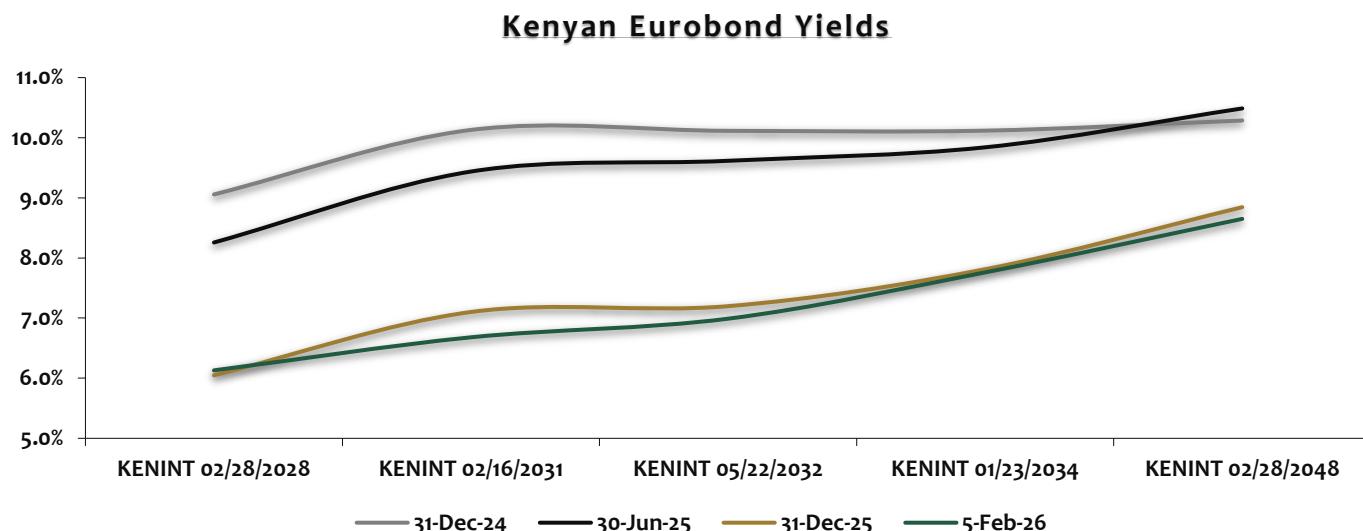
Local & International Yields

The local yield curve nudged upwards on average, with gain recorded largely on the belly and tail of the curve. Declines at the front end partly offset the gains. The chart below compares the current yield levels with previous records:



Source: NSE | Chart: KSL

Kenyan Eurobond yields held steady throughout the week, signaling continued stability in economic conditions. The chart below illustrates the movement of the yields over the year:



Source: CBK | Chart: KSL

EQUITIES PULSE

Market Indicators: The first week of February started on a strong footing, with the equities market extending its upward momentum on broad-based gains and a sharp pickup in trading activity. NASI advanced 3.77% week-on-week to 202.73, while NSE 10 rose 2.33% to 2,094.47 and NSE 20 gained 1.46% to 3,347.53. NSE 25 added 2.24% to 5,441.21, supported by sustained interest in large-cap counters. The Banking Index increased 1.62% to 218.51.

Market capitalization expanded 3.77% to Kes. 3,199.36Bn, while activity strengthened significantly, with total equity turnover rising 139.39% to Kes. 843.08Mn and volumes traded increasing 150.53% week-on-week.

Gainers/Losers: Kenya Orchards led the gainers during the week, rallying 20.32%, followed by Nation Media Group which gained 8.56% and Safaricom which rose 8.11%. On the downside, Unga Group recorded the steepest decline, shedding 7.53%, while Eveready East Africa fell 6.47% and Absa NewGold ETF declined 5.69%.

Top Movers: Trading activity was concentrated in large-cap stocks, with Safaricom emerging as the most actively traded counter, recording Kes. 1,492.21Mn in turnover. Equity Group followed with Kes. 1,150.61Mn, while KCB Group recorded Kes. 441.04Mn, together accounting for a significant share of market liquidity during the week.

Foreign Participation: Foreign investors were net sellers over the period. Net inflows were recorded in Equity Group at Kes. 320.15Mn, Kenya Power Ord. at Kes. 10.60Mn and I&M Group at Kes. 1.24Mn. However, these were outweighed by net outflows led by Safaricom at Kes. -765.93Mn, followed by Stanbic Holdings at Kes. -193.06Mn and KCB Group at Kes. -138.03Mn.

Corporate Actions:

- **KenGen:** Final dividend Kes. 0.90/Share; Books closed 4-Dec-25; payment 12-Feb-26
- **EABL:** Interim dividend Kes. 4.00/Share; Book Closure 29-Jan-26; Payment 20-Feb-26
- **KPLC:** Interim dividend Kes. 0.30/Share; Book Closure 23-Feb-26; Payment 27-Mar-26
- **Safaricom:** Interim dividend Kes. 0.85/Share; Book Closure 25-Feb-26; Payment 31-Mar-26

WEEKLY SUMMARY TABLES

Market Indicators			
Indicator	30-Jan	06-Feb	%Change
NASI	195.36	202.73	3.77%
NSE 10	2046.82	2094.47	2.33%
NSE 20	3299.28	3347.53	1.46%
NSE 25	5321.96	5441.21	2.24%
Bank Index	215.03	218.51	1.62%
Market Capitalization (Bn)	3083.07	3199.36	3.77%
Total Shares Traded (Mn)	9.16	22.94	150.53%
Total Equities Turnover (Mn)	352.18	843.08	139.39%

Top Movers			
Stock	Share Price 30-Jan	Share Price 06-Feb	Mkt Turnover (Kes. Mn)
Safaricom	29.60	32.00	1492.21
Equity Group	67.00	68.00	1150.61
KCB Group	66.50	67.25	441.04
Stanbic Holdings	198.00	205.50	383.73
BAT Kenya	473.50	500.00	154.24
EABL	258.50	250.00	148.39

Top Gainers			
Stock	Share Price 30-Jan	Share Price 06-Feb	W/W %Change
Kenya Orchards	77.50	93.25	20.32%
Nation Media Grp	12.85	13.95	8.56%
Safaricom	29.60	32.00	8.11%
Olympia Capital	7.44	7.88	5.91%
Nairobi Business V.	1.38	1.46	5.80%

Top Losers			
Stock	Share Price 30-Jan	Share Price 06-Feb	W/W %Change
Unga Group	23.90	22.10	-7.53%
Eveready East Africa	1.39	1.30	-6.47%
Absa NewGold ETF	6235.00	5880.00	-5.69%
BOC Kenya	137.25	131.75	-4.01%
Centum	13.55	13.05	-3.69%

Top Foreign Buys		
Stock	Share Price 06-Feb	Foreign Buys (Kes. Mn)
Equity Group	68.00	334.49
Safaricom	32.00	242.79
KCB Group	67.25	21.07
Kenya Power Ord.	15.45	10.60
Stanbic Holdings	205.50	7.97

Top Foreign Sales		
Stock	Share Price 06-Feb	Foreign Sells (Kes. Mn)
Safaricom	32.00	1008.72
Stanbic Holdings	205.50	201.03
KCB Group	67.25	159.10
BAT Kenya	500.00	120.87
EABL	250.00	59.95

Top Foreign Net Inflows		
Stock	Share Price 06-Feb	Net inflows (Kes. Mn)
Equity Group	68.00	320.15
Kenya Power Ord.	15.45	10.60
I&M Group	45.00	1.24
Co-op Bank Group	28.35	0.39
NSE	19.50	0.32

Top Foreign Net Outflows		
Stock	Share Price 06-Feb	Net Outflows (Kes. Mn)
Safaricom	32.00	-765.93
Stanbic Holdings	205.50	-193.06
KCB Group	67.25	-138.03
BAT Kenya	500.00	-114.81
EABL	250.00	-59.85

CORPORATE HIGHLIGHTS

Corporate activity during the week was driven by earnings releases and capital management announcements, with updates from Kenya Power, Safaricom, and Standard Group shaping investor focus.

Kenya Power kicked off the week by releasing its half-year financial results for the period ended 31st December 2025, reporting modest earnings growth. Profit before tax increased 5.48% year-on-year to Kes. 14.83Bn, while profit after tax rose 4.31% to Kes. 10.40Bn, supported by stable operating performance. Reflecting improved profitability and cash generation, the Board declared an interim dividend of Kes. 0.30 per share, up from Kes. 0.20 in the comparable period last year.

Safaricom Plc announced during the week that its Board approved the payment of an interim dividend of Kes. 0.85 per share for the financial year ending 31st March 2026, following a meeting held on 4th February 2026. The dividend will be payable to shareholders on the register as at the close of business on 25th February 2026 and is scheduled to be paid on or about 31st March 2026, highlighting the Group's resilient cash generation, strong balance sheet position, and confidence in its near-term operating outlook.

Standard Group Plc announced its board's decision to suspend the previously proposed rights issue following a Special Board Meeting held on 4th February 2026. The decision was taken after reviewing prevailing market conditions and alternative strategic financing options, with the aim of safeguarding shareholder value and allowing additional time to reassess the structure, timing, and viability of the transaction. The suspension is viewed as a prudent capital management move, with the Company expected to continue evaluating funding options while maintaining operational stability and transparent engagement with the market.

GLOBAL MARKET HIGHLIGHTS

Global Inflation and Monetary Policy: Inflationary pressures across advanced economies moderated during the week ending 5th February, supported by easing energy prices. In the Euro Area, headline inflation declined to 1.7% in January 2026 from 1.9% in December 2025, while core inflation edged lower to 2.2%, reinforcing signs of softening price pressures. Against this backdrop, both the European Central Bank and the Bank of England maintained their policy rates, reflecting a cautious approach amid improving inflation dynamics. Meanwhile, the U.S. Dollar Index strengthened by 1.60% over the week, supported by improved market sentiment following the announcement of Kevin Warsh as the new Federal Reserve Chair.

International oil prices edged higher during the week, with Murban crude trading at USD 68.50 per barrel on 5th February, up slightly from USD 68.46 per barrel on 29th January, as markets positioned ahead of planned U.S.-Iran talks. The modest price increase reflected cautious trading amid geopolitical developments, with investors weighing potential supply implications. Oil market sentiment remained guarded, with prices expected to stay sensitive to geopolitical headlines and diplomatic developments in the near term.

APPENDIX

Stock	Share Price 30-Jan	Share Price 06-Feb	W/W %Change	YTD %Change	Mkt Turnover (Kes. Mn)	Annual Dividend Yield	Trailing Dividend Yield
AGRICULTURAL							
Eaagads	22.00	22.00	0.00%	7.32%	0.27	-	-
Kakuzi Plc	386.75	390.00	0.84%	-2.99%	5.52	2.05%	2.05%
Kapchorua Tea	235.75	232.75	-1.27%	0.54%	1.24	10.74%	10.74%
Limuru Tea	460.00	446.00	-3.04%	-3.04%	0.99	-	0.22%
Sasini Plc	19.70	20.15	2.28%	12.89%	2.67	4.96%	4.96%
Williamson Tea Kenya	142.50	142.75	0.18%	-4.52%	6.61	17.51%	17.51%
AUTOMOBILES & ACCESSORIES							
Car & General (K)	58.75	57.75	-1.70%	13.24%	0.51	1.39%	1.39%
BANKING							
ABSA Bank Kenya	27.95	28.20	0.89%	14.17%	98.62	6.21%	6.91%
BK Group	46.00	46.50	1.09%	9.41%	1.40	5.63%	7.78%
DTB Group	129.00	135.50	5.04%	18.34%	102.43	5.17%	5.17%
Equity Group	67.00	68.00	1.49%	1.87%	1150.61	6.25%	6.25%
HF Group	10.20	10.10	-0.98%	1.41%	17.19	-	-
I&M Group	45.00	45.00	0.00%	6.01%	136.72	6.67%	10.00%
KCB Group	66.50	67.25	1.13%	2.28%	441.04	4.46%	10.41%
NCBA Group	92.50	92.25	-0.27%	9.82%	130.04	5.96%	8.67%
Stanbic Holdings	198.00	205.50	3.79%	3.92%	383.73	10.09%	11.94%
Stan Chart Bank	310.00	314.75	1.53%	5.89%	78.48	11.76%	14.30%
Co-op Bank Group	27.20	28.35	4.23%	18.37%	77.70	5.29%	8.82%
COMMERCIAL AND SERVICES							
Deacons East Africa	0.45	0.45	0.00%	0.00%	0.00	-	-
Eveready East Africa	1.39	1.30	-6.47%	-5.11%	0.91	-	-
Express Kenya	7.10	7.38	3.94%	-0.27%	0.23	-	-
Homeboyz Entertainment Plc	4.66	4.66	0.00%	0.00%	0.00	-	-
Kenya Airways	4.83	5.02	3.93%	42.21%	11.70	-	-
Longhorn Publishers Plc	2.89	3.00	3.81%	3.45%	0.10	-	-
Nairobi Business Ventures	1.38	1.46	5.80%	-0.68%	0.39	-	-
Nation Media Group	12.85	13.95	8.56%	20.78%	4.37	-	-
Sameer Africa	15.45	15.95	3.24%	11.93%	5.97	-	-
Standard Group	6.14	6.08	-0.98%	0.66%	0.10	-	-
TPS Eastern Africa	15.90	15.60	-1.89%	6.12%	0.27	2.24%	2.24%
Uchumi Supermarket	1.27	1.31	3.15%	27.18%	3.55	-	-
WPP Scangroup	2.33	2.40	3.00%	-5.88%	0.43	-	-
CONSTRUCTION & ALLIED							
Athi River Mining	5.55	5.55	0.00%	0.00%	0.00	-	-
Bamburi Cement	54.00	54.00	0.00%	0.00%	0.00	-	-
Crown Paints Kenya	58.00	59.50	2.59%	9.17%	0.80	5.04%	5.04%
E.A.Cables	1.71	1.71	0.00%	0.00%	0.00	-	-
E.A.Portland Cement	83.75	82.00	-2.09%	11.56%	0.98	1.22%	1.22%
ENERGY & PETROLEUM							

KenGen	9.60	9.60	0.00%	4.58%	83.54	9.38%	9.38%
Kenya Power Ord.	15.35	15.45	0.65%	13.60%	113.72	6.47%	8.41%
Kenya Power Pref 4	5.00	5.00	0.00%	0.00%	0.00	-	-
Kenya Power Pref 7	6.00	6.00	0.00%	0.00%	0.00	-	-
Total Energies Kenya	39.00	40.45	3.72%	4.93%	6.92	4.75%	4.75%
Umeme Ltd	8.60	8.64	0.47%	10.49%	7.68	-	-
INSURANCE							
Britam Plc	9.70	10.10	4.12%	10.99%	7.23	-	-
CIC Insurance	4.52	4.59	1.55%	0.44%	4.36	2.83%	2.83%
Jubilee Holdings	325.00	329.75	1.46%	-1.57%	6.48	4.09%	4.70%
Kenya Re	3.18	3.15	-0.94%	4.65%	21.78	9.52%	9.52%
Liberty Kenya	9.58	9.98	4.18%	-1.19%	1.55	16.03%	16.03%
Sanlam Kenya	8.98	8.88	-1.11%	4.96%	0.39	-	-
INVESTMENT							
Centum	13.55	13.05	-3.69%	-5.78%	3.13	2.45%	2.45%
Home Afrika	1.25	1.27	1.60%	-5.22%	3.04	-	-
Kurwitu Ventures	1500.00	1500.00	0.00%	0.00%	0.00	-	-
Olympia Capital	7.44	7.88	5.91%	-4.14%	0.31	-	-
Trans-Century	1.12	1.12	0.00%	0.00%	0.00	-	-
INVESTMENT SERVICES							
NSE	19.55	19.50	-0.26%	-3.70%	8.39	-	-
MANUFACTURING & ALLIED							
BOC Kenya	137.25	131.75	-4.01%	3.74%	0.64	6.57%	8.46%
BAT Kenya	473.50	500.00	5.60%	8.93%	154.24	10.00%	12.00%
Carbacid Investments	30.65	31.35	2.28%	6.81%	5.30	6.38%	6.38%
EABL	258.50	250.00	-3.29%	-4.94%	148.39	2.20%	3.80%
Flame Tree Group	1.78	1.76	-1.12%	12.10%	0.81	-	-
Kenya Orchards	77.50	93.25	20.32%	32.27%	0.79	-	-
Mumias Sugar Co.	0.27	0.27	0.00%	0.00%	0.00	-	-
Unga Group	23.90	22.10	-7.53%	-4.74%	4.04	-	-
Shri Krishna Overseas	8.16	8.14	-0.25%	-0.25%	0.23	-	-
TELECOMMUNICATION							
Safaricom	29.60	32.00	8.11%	12.87%	1492.21	3.75%	6.41%
REITs							
LapTrust Imara I-REIT	20.00	20.00	0.00%	0.00%	0.00	4.10%	4.10%
EXCHANGE TRADED FUNDS							
Absa NewGold ETF	6235.00	5880.00	-5.69%	8.99%	18.60	-	-
Satrix MSCI World	859.00	865.00	0.70%	-0.69%	0.40	-	-

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