

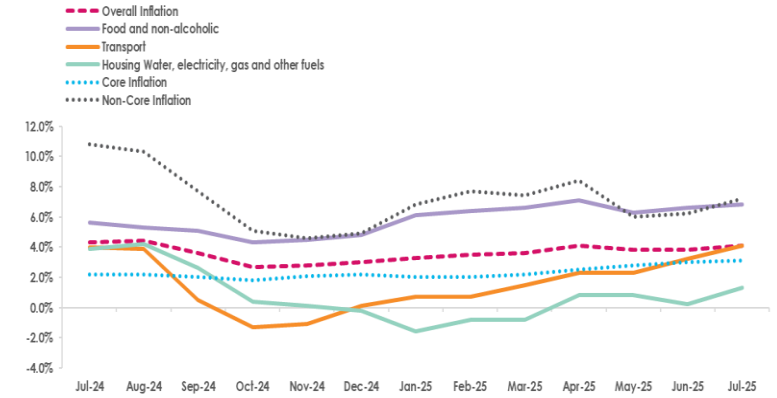
CPF Asset Managers

Weekly Market Review

Inflation and Macro economic Indicators

·The global ratings agency, Fitch Ratings affirmed Kenya's Long-Term Foreign-Currency Issuer Default Rating (IDR) at B-, while maintaining the Stable outlook. The affirmation reflects Fitch's view that Kenya's medium-term economic growth prospects remain robust, supported by a relatively diversified economy, sustained multilateral and bilateral creditor support, and moderate progress on fiscal consolidation.

·Overall inflation increased to 4.1% in July,2025 from 3.8% in June, driven by higher food and fuel prices. Core inflation increased to 3.1% while Non-core inflation increased to 7.2% on account of higher energy prices.

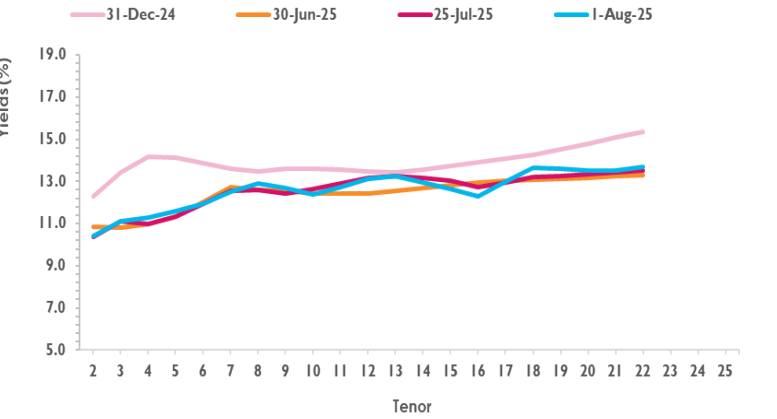


Source: KNBS

Food inflation increased to 6.8% from 6.6% recorded in June 2025 driven by increase in key food prices.Transport Index rose to 4.1% compared to 3.2% in the previous month driven by increase in prices of local flights, diesel and petrol. The housing ,water, electricity, gas and other fuels index increased to 1.3% from 0.2% recorded in June due to increase in Gas/LPG prices, Kerosine and monthly house rents.

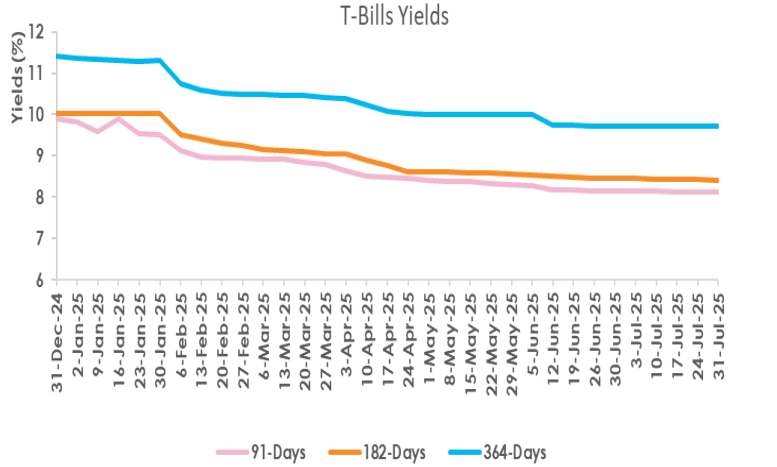
Fixed Income, Money Market and Interest Rates

The yield curve edged upwards by 4 bps on average week-on-week.



Source: NSE

During the week, yields on 91-day T-bills, 182-day T-bills and 364-day T-bills declined by 0.6Bps, 0.9Bps and 0.2 Bps to 8.11%, 8.41% and 9.72%, respectively.



Source: CBK

During the week T-bills were undersubscribed with the overall u undersubscription coming in at 67.05%.

	Current Week	Previous Week	w/w% Chg	YTD	Subscription Rate w/w
91-Days	8.11	8.12	▼(0.08%)	(18.03%)	49.34%
182-Days	8.41	8.42	▼(0.11%)	(16.09%)	21.41%
364-Days	9.72	9.72	▼(0.02%)	(14.83%)	119.78%
Interbank rate	9.60	9.61	▼(0.11%)	(13.45%)	

Source: CBK

During the week, liquidity in the money markets remained stable, with the average interbank rate holding steady at 9.62%.

Forex

During the week, the Kenyan Shilling appreciated marginally against the US Dollar by 0.02 bps, to remain relatively unchanged from the Kshs 129.26 recorded the previous week.

Forex reserves decreased by -0.5% to **USD 10, 692Mn** from **USD 10,749Mn**. The current reserves now offer about **4.7months** of import cover.

	Close	W/W% Chg	YTD
USD/KES	129.24	▲0.02%	+0.04%
GBP/KES	170.58	▲2.60%	(5.12%)
EUR/KES	147.65	▲2.92%	(9.95%)
KES/TSH	19.89	▲0.02%	+4.73%
KES/USH	27.74	▼(0.06%)	(2.35%)
KES/RWF	11.18	▲0.15%	+4.19%
Fx Reserves(USD mn)	10,692	▼(0.53%)	+16.20%
Import Cover(Months	4.70	▲0.00%	+0.00%

Source: CBK

Stock Market

The Nairobi Securities Exchange (NSE) recorded an overall decline of 1.0% during the week, while the NSE 20-Share Index and the NSE 10 Index both posted marginal gains of 0.1%.

	Close	W/W% Chg	YTD
NSE 20	2,537.50	▲0.06%	+26.20%
NASI	158.95	▼(0.98%)	+28.73%
NSE 25	4,106.83	▲0.05%	+20.69%
NSE -10	1,570.16	▲0.07%	+20.57%

Large Cap Stocks performance				
	Previous	Current	W/W% Chg	YTD
Safaricom	26.90	26.00	(3.35%)	+52.49%
Equity Group	50.50	50.50	+0.00%	+4.55%
KCB Bank	47.50	47.30	(0.42%)	+13.70%
EABL	196.25	210.25	+7.13%	+19.80%
Co-operative Bank	16.65	16.70	+0.30%	+1.52%
ABSA Bank	19.50	19.50	+0.00%	+8.03%
Stanchart Bank	309.00	315.00	+1.94%	+12.60%
BAT	398.50	404.50	+1.51%	+7.58%
NCBA Bank	64.75	62.75	(3.09%)	+30.19%
Stanbic Holdings	176.75	178.50	+0.99%	+30.05%
I&M Bank	36.90	36.85	(0.14%)	+1.66%
Bamburi Cement	54.00	54.00	+0.00%	(1.82%)

Source: NSE

During the week, **Safaricom** was the most traded counter , accounting for 53.7 % of total turnover, trailed by **ABSA Bank** at 8.2%, **EABL** at 6.5%, **KCB Group** at 6.3% and **Equity Bank** at 5.7% .

Global Market

Global markets declined during the week driven by renewed global trade tensions following sweeping US tariffs.

	Close	W/W% Chg	YTD
S&P 500	6,238.01	▼(2.36%)	+6.06%
Djones	43,588.58	▼(2.92%)	+2.45%
Nasdaq Composite	20,650.13	▼(2.17%)	+6.94%
FTSE 100	9,068.58	▼(0.57%)	+10.96%
Nikkei225	40,799.60	▼(1.58%)	+2.27%
Shanghai Composite	3,559.95	▼(0.94%)	+6.21%
MSCI World	4,022.69	▼(2.54%)	+8.49%
MSCI Emerging Marke	1,226.18	▼(2.51%)	+14.01%
MSCI Frontier Markets	663.35	▼(1.25%)	+24.54%
Brent Oil	69.67	▲2.97%	(5.58%)
Gold	3,399.80	▲1.92%	+28.73%

Source: Google Finance, Bloomberg

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