FAIDA INVESTMENT BANK

Weekly Market Report

Week 32

Week Ending on Friday, August 7th, 2026

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Weekly Highlights

NCBA Group Posts Record Half-Year Profit of KES 12.4 Billion for the Seventh Consecutive Year of H1 Growth

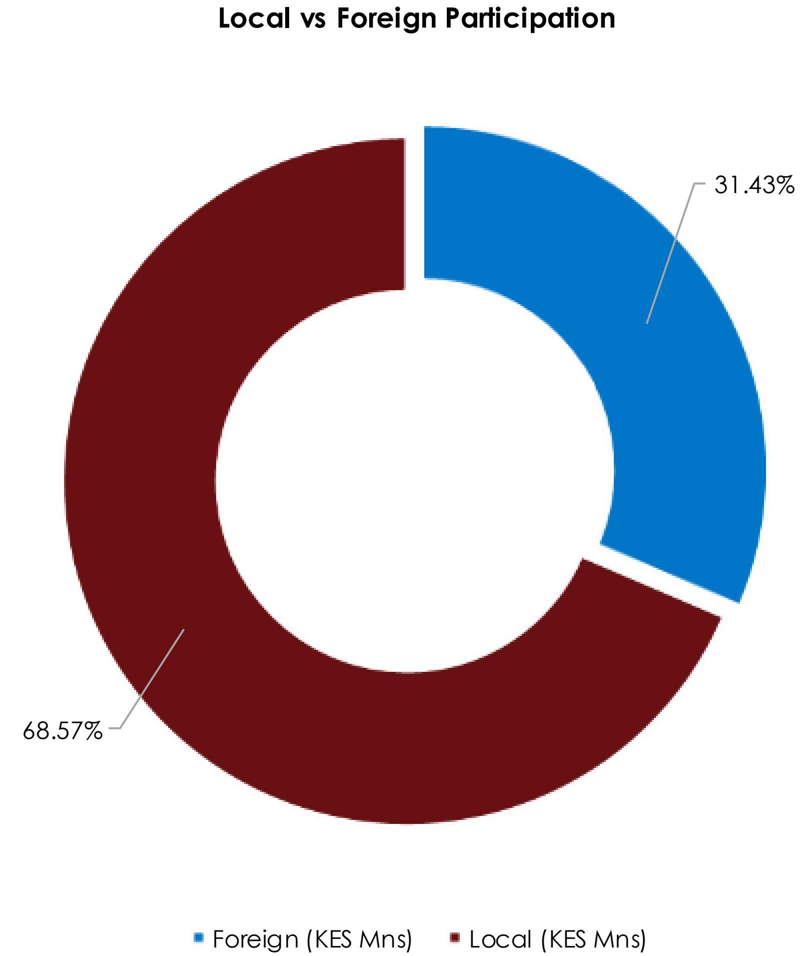
NCBA Group PLC on August 5 reported a 12.2% rise in profit after tax to a record KES 12.4 billion for the six months ended June 30, 2026, its seventh successive first-half earnings increase. Operating income grew 15.1% to KES 40.7 billion, driven by a 20.4% jump in net interest income as funding costs fell and the loan book expanded. Digital loan disbursements rose 26.9% to KES 819 billion while NPLs held at 10.5%, well below the sector average of 15.3%. The board raised the interim dividend by 50% to KES 3.75 per share. Separately, Nedbank's tender offer to acquire a 66% stake in NCBA, closed 121% oversubscribed on July 10, with acceptances covering 79.9% of issued shares, keeping the ownership transition firmly on track.

Kenya Bankers Call on CBK to Hold Rate at 8.75% as MPC Meets Tuesday Amid Stable Inflation and Credit Recovery

The Kenya Bankers Association on August 7 urged the Central Bank of Kenya to retain the Central Bank Rate at 8.75% when the Monetary Policy Committee meets on August 11, pointing to headline inflation holding steady at 6.5% in July within the 2.5% to 7.5% target band, and private sector credit growth rebounding from 7.4% in February to 9.3% by May 2026. A hold would mark the third consecutive pause following April and June, ending an easing cycle that saw CBK cut rates on ten successive occasions from 13.0% in early 2024 down to 8.75% by February 2026. The KBA flagged geopolitical tensions, weaker global demand and widening fiscal deficits as risks warranting continued vigilance, but maintained the current stance remains appropriate to sustain credit momentum without reigniting inflation.

Equities Market

Foreign vs Local Investor Participation



Source: Nairobi Securities Exchange

	Foreign (KES Mns)	Local (KES Mns)
Friday, August 7, 2026	1,303.42	2,844.05
Participation	31.43%	68.57%

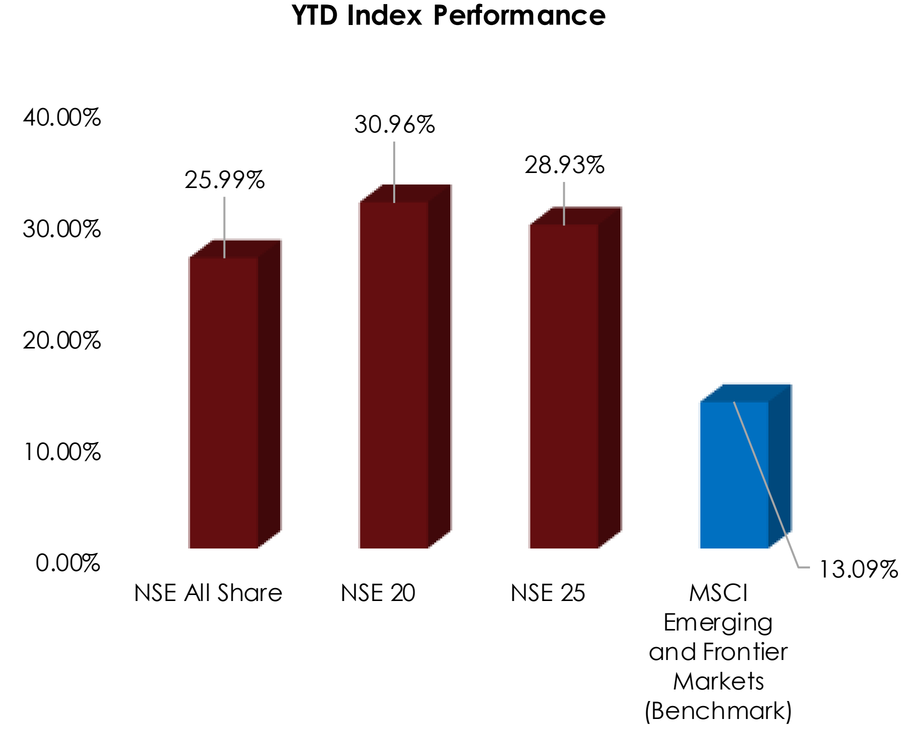
Source: Nairobi Securities Exchange

Equities Market Commentary

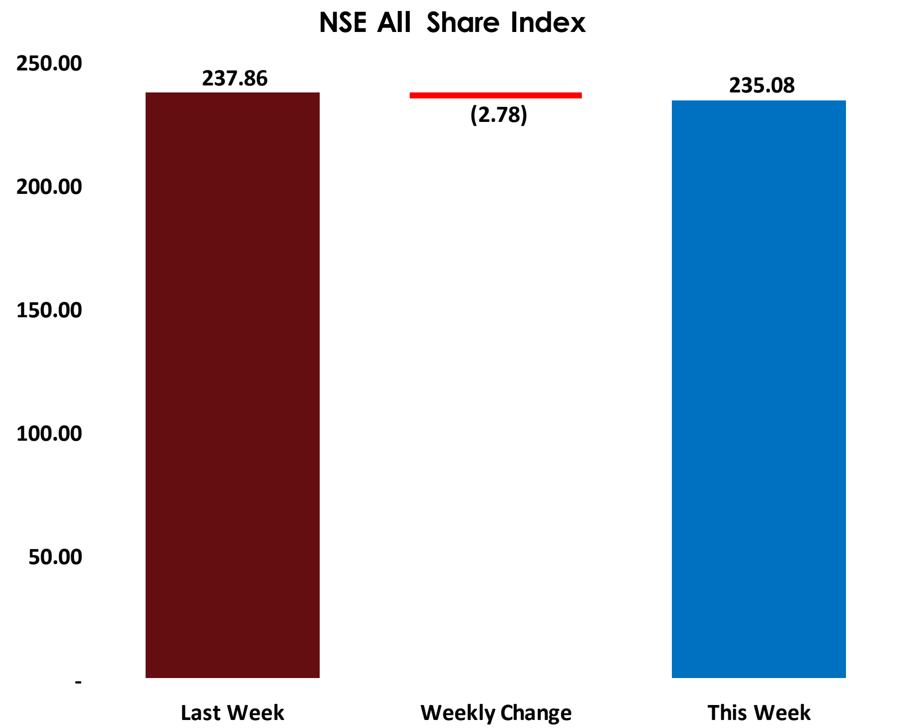
	This Week	Past Week	w-o-w Change	YTD Change
NSE All Share	235.08	237.86	-1.17%	25.99%
NSE 20	4,111.14	4,093.51	0.43%	30.96%
NSE 25	6,540.78	6,571.20	-0.46%	28.93%
(Benchmark)	1,006.22	974.56	3.25%	13.09%

Source: Nairobi Securities Exchange and Bloomberg

The NSE 20 Share increased by 43bps week-on-week to 4,111.14 from 4,093.51 points recorded in the previous week. The NSE All Share Index (NASI) decreased by 117bps to 235.08 points from 237.86 points, while the NSE 25 Share Index declined by 46bps to 6,540.78 points from 6,571.20 points. The MSCI Emerging Frontier Markets Index (Benchmark) recorded a week-on-week increase of 3.25% to 1,006.22 points from 974.56 points.



Source: Nairobi Securities Exchange and Bloomberg



Source: Nairobi Securities Exchange and Bloomberg

	This Week	Past Week	w-o-w Change
Market Capitalization (KES Bns)	3,945.10	3,991.85	-1.17%
Volume Traded (Mns)	134.55	103.14	30.45%
Equity Turnover (KES Mns)	4,147	3,595	15.35%

Source: Nairobi Securities Exchange and Bloomberg

Market capitalization decreased by 117bps week-on-week to KES 3,945.10 billion, from KES 3,991.85 billion in the previous week. Trading activity however showed an increase in performance during the week, with total volumes traded surging by 30.45% to 134.55 million shares from 103.14 million in the prior week. Equity turnover also rose by increasing 15.35% to KES 4,147 million from KES 3,595 million.

Equities Performance

Top Gainers	Last Week	Previous Week	Weekly Change	QTD	YTD
SKL	13.95	10.8	29.17%	43.52%	170.96%
Sameer	19.30	16.65	15.92%	24.52%	35.44%
Home Afrika	1.19	1.05	13.33%	-11.85%	-11.19%
Car General	177.25	156.50	13.26%	50.85%	247.55%
Centum	17.80	16.05	10.90%	22.76%	28.52%

Source: Nairobi Securities Exchange

Top Movers	Last Week	Previous Week	Turnover (KES Mns)
Safaricom	35.1	36.5	1416.67
Equity Bank	85.25	86.75	692.58
Co-op Bank	35.8	34.85	431.75
EABL	285	279.75	146.16
KCB	84.75	86	111.15

Source: Nairobi Securities Exchange

Top Losers	Last Week	Previous Week	Weekly Change	QTD	YTD
Kapchorua Tea	339.25	375.25	-9.59%	-2.02%	46.54%
Williamson Tea	156.50	169.75	-7.81%	-2.34%	4.68%
Kenya-Re	3.64	3.79	-3.96%	9.31%	20.93%
Safaricom	35.10	36.50	-3.84%	3.08%	23.81%
Express	6.82	7.08	-3.67%	-5.54%	-7.84%

Source: Nairobi Securities Exchange

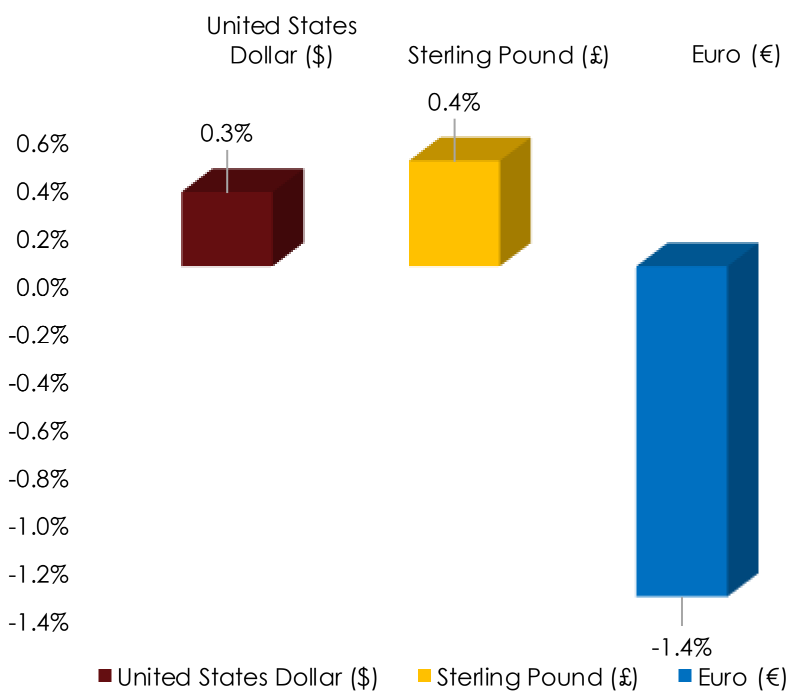
Exchange Rate

The KES held steady against the US Dollar during the week, remaining stable to close at KES 129.39 from KES 129.40 recorded in the previous week. The currency, however, depreciated against the Sterling Pound by 10bps to KES 174.25 from KES 174.01. Furthermore, the Shilling also weakened against the Euro, depreciating by 20bps, to close at KES 149.26 compared to KES 148.91 in the prior week.

	This Week	Past Week	w-o-w Change	QTD Change	YTD Change
United States Dollar ($)	129.39	129.4	0.0%	0.3%	0.3%
Sterling Pound (£)	174.25	174.01	0.1%	0.4%	0.4%
Euro (€)	149.26	148.91	0.2%	-1.4%	-1.4%

Source: Central Bank of Kenya; Positive = KES Depreciation, Negative; KES Appreciation

YTD Foreign Currency Performance vs KES



Source: Central Bank of Kenya Data

Global Markets

	This Week	w-o-w Change	YTD Change
Dow Jones Index	54,036.9	2.96%	12.43%
S&P 500 Index	7,757.6	3.58%	13.32%
Nasdaq 100 Index	29,722.3	5.12%	17.71%
DAX Index	26,319.5	2.69%	7.47%
FTSE 100 Index	10,901.1	0.30%	9.76%
Eurostoxx 50 Index	6,523.9	2.61%	12.65%
Shanghai Composite Index	3,940.0	2.81%	-0.73%
Nikkei 225 Index	65,606.7	1.93%	30.33%

Source: Bloomberg

Global equity markets demonstrated a strong w-o-w momentum, outperforming the previous week. The Nasdaq 100 index recorded the strongest gains among major markets, advancing 5.12% w-o-w, with the S&P 500 index and the Dow Jones index following right behind with increases of 3.58% and 2.96% respectively. The Shanghai Composite Index and the DAX index also both increased, recording 2.81% and 2.61% respectively.

Commodities

	This Week	w-o-w Change	YTD Change
Brent Crude Oil	83.55	-7.29%	37.30%
Murban Crude Oil	80.25	1.35%	30.70%
Gold	4,341.56	7.30%	0.45%

Source: Bloomberg

Brent crude oil decreased by 7.29% during the week to close at USD 83.55 per barrel, while Murban crude oil increased by 135bps to USD 80.25 per barrel. Brent's decline reflects renewed optimism over a potential Iran-Oman agreement to restore shipping through the Strait of Hormuz, which could ease supply disruptions. Murban's relative resilience, in contrast, points to lingering uncertainty, as attacks on vessels transiting Hormuz continued even as the broader benchmark retreated. Gold, also, recorded a weekly increase, rising by 7.30% to close at USD 4,341.56 per ounce.

Treasury Bill Auction Results

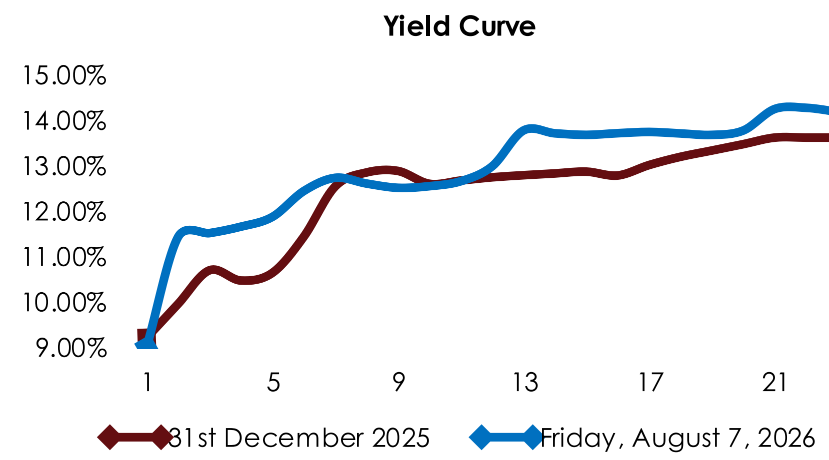
	Amount Offered	Bids Received	Subscription	Bids Accepted	Yield	Subscription w-o-w
91-day	8.0	13.6	169.9%	13.1	8.78%	-5.63%
182-day	10.0	10.2	101.7%	9.2	8.95%	24.41%
364-day	10.0	6.2	62.1%	6.2	9.00%	29.54%
Total	**28.0**	**30.0**	107.0%	**28.5**		9.50%

Source: Central Bank of Kenya

Treasury bills recorded an overall subscription rate of 107.0% during the week. Demand remained heavily skewed towards the 91-day Treasury bill, which recorded a subscription rate of 169.9%, while the 182-day and 364-day papers registered subscription rates of 101.7% and 62.1%, respectively.

Yields closed at 8.78% for the 91-day paper, 8.95% for the 182-day paper, and 9.00% for the 364-day paper.

Nairobi Securities Exchange Yield Curve



Source: NSE

Stock Recommendation

KenGen-BUY

The stock trades at an attractive valuation, with a P/E of 6.8 and a P/B of 0.3, which leaves room for further valuation upside despite the strong share price appreciation recorded over the past year. FY2025 profit after tax rose 54.2% to KES 10.48 billion, supported by lower operating and finance costs, with the final dividend increasing to KES 0.90 per share. Although H1 2026 profit after tax declined 20.2% to KES 4.2 billion due mainly to higher depreciation and operating costs following new asset capitalization, net revenue increased 6.2% to KES 24.8 billion while finance costs continued to fall, highlighting the underlying strength of the business. KenGen's dominant position in renewable electricity generation, with more than 93% of its installed capacity coming from renewable sources, also provides exposure to Kenya's rising electricity demand and the country's continued transition towards cleaner energy. The near term earnings pressure remains a key risk, but KenGen’s strong renewable energy portfolio, improving cost efficiency and continued reduction in debt provide a solid foundation for future earnings growth. Investors should BUY ahead of the expected recovery in profitability, supported by rising electricity demand, lower financing costs and KenGen’s long term expansion in renewable energy.

Corporate Actions

Counter	Corporate Action	Declared	Date Announced	Book Closure	Payment Date
Safaricom	Final Dividend	1.15	7-May-2026	4-Aug-2026	4-Sept-2026
Crown paints	Final Dividend	3	25-May-2026	26-June-2026	31-Aug-2026
Williamson Tea	Final Dividend	15	26-June-2026	31-July-2026	02-Sep-2026
Liberty	Final Dividend	0.50	11-March-2026	15-June-2026	30-Aug-2026
BAT	Interim Dividend	10.00	24-July-2026	28-Aug-2026	25-Sep-2026
Centum	Final Dividend	0.42	31-July-2026	Subject to approval	Subject to approval
EABL	Final Dividend	8.7	06-August-2026	19-October-2026	31-October-2026
Kapchorua Tea	Final Dividend	30.00	26-June-2026	31-July-2026	02-Sep-2026
EA Portland	Final Dividend	1.25	22-June-2026	Subject to approval	Subject to approval

Counter Statistics

Agricultural Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Eaagads	29.10	2.3%	-5.7%	42.0%	4,358	78.6	0.7	0.9
Kakuzi	433.75	2.0%	-1.1%	7.9%	1,586	21.9	1.5	7.1
Kapchorua Tea	339.25	-9.6%	-2.0%	46.5%	15,542	14.6	1.7	7.0
Limuru Tea	525.00	-2.4%	-2.4%	14.1%	171	-	9.9	(34.4)
Sasini	24.05	-1.0%	2.8%	34.7%	87,870	28.3	0.3	0.6
Williamson Tea	156.50	-7.8%	-2.3%	4.7%	107,640	-	0.6	1.5
Sector Average		**-2.8%**	**-1.8%**	**25.0%**		**35.9**	**2.5**	

Automobiles Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Car and General	177.25	13.3%	50.9%	247.5%	90,544	27.4	2.3	-

Banking Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Absa	33.40	0.3%	4.2%	35.2%	2,082,159	7.91	1.7	20.8
Bank of Kigali	60.00	0.4%	11.6%	41.2%	47,102	5.76	-	21
Diamond Trust Bank	154.25	1.1%	6.4%	34.7%	772,737	4.58	0.4	10.6
Equity Group	85.25	-1.7%	6.6%	27.7%	6,287,967	4.47	1.0	28.8
Housing Finance	12.60	-0.8%	27.5%	26.5%	3,587,646	16.80	1.2	8.1
I&M	68.25	0.7%	-1.8%	60.8%	532,161	6.33	1.0	17.2
KCB	84.75	-1.5%	7.6%	28.9%	2,060,487	4.07	0.8	19.1
NCBA	92.00	2.2%	2.8%	9.5%	1,293,581	6.48	1.1	18.4
Stanbic Bank	284.00	-2.6%	1.3%	43.6%	105,139	8.18	1.4	19.3
StanChart	339.00	0.4%	3.4%	14.0%	76,755	10.44	1.8	18.8

The Co-op Bank	35.80	2.7%	4.4%	49.5%	14,558,618	7.10	1.2	18
Family Bank	31.25	-0.64%	29.13%	-	526.842	7.95	-	16.5
Sector Average		**0.1%**	**6.7%**	**33.8%**		**7.5**	**1.2**	

Commercial Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Eveready	1.00	-2.0%	-7.4%	-27.0%	4,693,071	-	-	-
Express Kenya	6.82	-3.7%	-5.5%	-7.8%	29,937	-	0.7	(28.3)
Longhorn	2.94	2.1%	2.8%	1.4%	58,500	-	98.5	(1,001.0)
Nairobi Business Ventures	1.38	6.2%	3.8%	-6.1%	133,970	-	1.0	(8.6)
Nation Media Group	13.35	5.5%	4.7%	15.6%	132,063	-	0.3	(4.4)
Sameer	19.30	15.9%	24.5%	35.4%	410,790	19.49	4.6	31.4
Standard Group	6.14	3.7%	4.8%	1.7%	8,079	-	20.8	(183.9)
TPS East Africa	16.30	10.1%	4.5%	10.9%	691,028	3.6	0.3	6.8
Uchumi	1.68	7.0%	-0.6%	63.1%	2,147,347	-	-	-
WPP Scangroup	2.09	-0.5%	0.0%	-18.0%	513,216	-	0.2	(15.6)
Sector Average		**4.4%**	**3.2%**	**6.9%**		**11.5**	**15.8**	

Construction Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Bamburi	54.00	0.0%	0.0%	0.0%	1,500	-	0.8	11.4
Crown Paints	60.25	3.0%	0.0%	10.6%	28,097	9.0	2.0	24.6
E.A. Cables	1.71	0.0%	0.0%	0.0%	516,460	-	1.7	(53.3)
E.A. Portland	120.00	3.9%	30.1%	63.3%	12,547	10.2	0.5	9.4
Sector Average		**1.7%**	**7.5%**	**18.5%**		**9.6**	**1.3**	

Energy Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
KenGen	10.85	0.9%	11.2%	18.2%	7,961,723	6.8	0.3	3.3
Kenya Power	20.85	-0.5%	21.6%	53.3%	5,032,735	1.7	0.3	23.1
Total Kenya	43.40	-0.1%	-3.1%	12.6%	93,913	12.6	0.2	6.5
Umeme	7.02	-0.3%	-4.6%	-10.2%	169,535	0.0	-	(158.5)
Sector Average		**0.0%**	**6.2%**	**18.5%**		**5.3**	**0.3**	

Insurance Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Britam	18.45	6.0%	47.0%	102.7%	529,970	8.46	1.3	17.2
CIC	4.74	0.0%	4.4%	3.7%	1,638,698	22.57	1.2	29.0
Jubilee	405.50	7.6%	12.4%	21.0%	7,569	5.07	0.5	11.2
Kenya Re	3.64	-4.0%	9.3%	20.9%	6,377,760	5.20	0.4	7.5
Liberty	9.46	2.8%	5.8%	-6.3%	90,263	11.13	0.5	4.5
Sanlam Kenya	9.58	1.3%	21.3%	13.2%	800,001	0.37	0.1	15.8
Sector Average		**2.3%**	**16.7%**	**25.9%**		**8.8**	**0.7**	

Investment Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Centum	17.80	10.9%	22.8%	28.5%	1,517,073	8.7	0.2	3.3
Home Afrika	1.19	13.3%	-11.9%	-11.2%	10,454,039	9.2	-	-
Olympia	8.08	10.7%	15.4%	-1.7%	60,067	32.3	0.3	0.9
TransCentury	1.12	0.0%	0.0%	0.0%	1,030,472	-	-	-
Sector Average		**8.7%**	**6.6%**	**3.9%**		**16.7**	**0.2**	

Investment Services Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Nairobi Securities Exchange	25.05	-1.2%	27.8%	23.7%	908,869	24.1	2.7	12.3

Manufacturing Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
BOC Kenya	178.00	2.3%	4.7%	40.2%	8,265	11.1	1.5	15.2
British American Tobacco	551.00	-3.2%	0.5%	20.0%	78,010	10.5	3.5	33.6
Carbacid	35.95	2.7%	8.9%	22.5%	194,738	9.1	1.8	21.4
EABL	285.00	1.9%	5.9%	8.4%	638,799	23.8	6.8	42.6
Flame Tree	1.93	3.2%	1.6%	22.9%	161,402	-	0.2	(1.2)
Kenya Orchards	70.00	0.0%	0.0%	0.0%	100	500.0	9.2	6.7
Unga Group	33.60	2.1%	23.3%	44.8%	20,648	19.4	0.7	15.9
Sector Average		**1.3%**	**6.4%**	**22.7%**		**95.7**	**3.4**	

Telecommunications Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Safaricom	35.10	-3.8%	3.1%	23.8%	46,872,873	20.6	7.3	50.5

Top 10 Dividend Yield

	Last Price	Dividend Yield
Umeme	7.02	114.0%
Nation Media Group	13.35	11.2%
Bamburi	54.00	10.2%
Williamson Tea	156.50	9.6%
Kapchorua	339.25	8.8%
KenGen	10.85	8.3%
Carbacid	35.95	5.6%
Liberty Kenya	9.46	5.3%
Equity Bank	85.25	5.0%
Crown Paints	60.25	5.0%

Agricultural

	Last Price	Dividend Yield
Eaagads	29.10	0.0%
Kakuzi	433.75	1.8%
Kapchorua	339.25	8.8%
Limuru Tea	525.00	0.2%
Sasini	24.05	2.1%
Williamson Tea	156.50	9.6%

Automobile

	Last Price	Dividend Yield
Car and General	177.25	0.2%

Banking

	Last Price	Dividend Yield
Absa	33.40	0.6%
Bank of Kigali	60.00	2.9%
Diamond Trust	154.25	4.5%
Equity Bank	85.25	5.0%
Housing Finance	12.60	0.0%
I&M	68.25	2.2%
KCB	84.75	4.7%
NCBA	92.00	2.7%
Stanbic	284.00	1.3%
StanChart	339.00	2.4%
The Coop Bank	35.80	2.8%

Commercial and Services

	Last Price	Dividend Yield
Eveready	1.00	0.0%
Express Kenya	6.82	0.0%
Longhorn	2.94	0.0%
NBV	1.38	0.0%
Nation Media Group	13.35	11.2%
Sameer	19.30	0.0%
Standard Group	6.14	0.0%
TP Serena	16.30	2.1%
Uchumi	1.68	0.0%
ScanGroup	2.09	0.0%

Construction and Allied

	Last Price	Dividend Yield
Bamburi	54.00	10.2%
Crown Paints	60.25	5.0%
E.A. Cables	1.71	0.0%
E.A. Portland	120.00	1.0%

Energy and Petroleum

	Last Price	Dividend Yield
KenGen	10.85	8.3%
Kenya Power	20.85	4.8%
Total Kenya	43.40	4.4%
Umeme	7.02	114.0%

Insurance

	Last Price	Dividend Yield
Britam	18.45	0.0%
CIC	4.74	2.7%
Jubilee	405.50	2.8%
Kenya Re	3.64	4.1%
Liberty Kenya	9.46	5.3%
Sanlam	9.58	0.0%

Investment

	Last Price	Dividend Yield
Centum	17.80	2.4%
Home Afrika	1.19	0.0%
Olympia	8.08	0.0%
TransCentury	1.12	0.0%

Investment Services

NSE	25.05	1.3%

Manufacturing & Allied

	Last Price	Dividend Yield
BOC	178.00	1.4%
British American Tobacco	551.00	1.8%
Carbacid	35.95	5.6%
EABL	285.00	3.1%
Flame Tree	1.93	0.0%
Kenya Orchards	70.00	0.0%
Unga Group	33.60	0.0%

Telecommunications

	Last Price	Dividend Yield
Safaricom	35.10	3.3%

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