FAIDA
INVESTMENT BANK

Weekly Market Report

Week 33

Week Ending on Friday, August 14th, 2026

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Weekly Highlights

CAK's KES 15 Billion Financial Reserve Demand Becomes the Latest Obstacle Blocking Diageo's EABL Sale

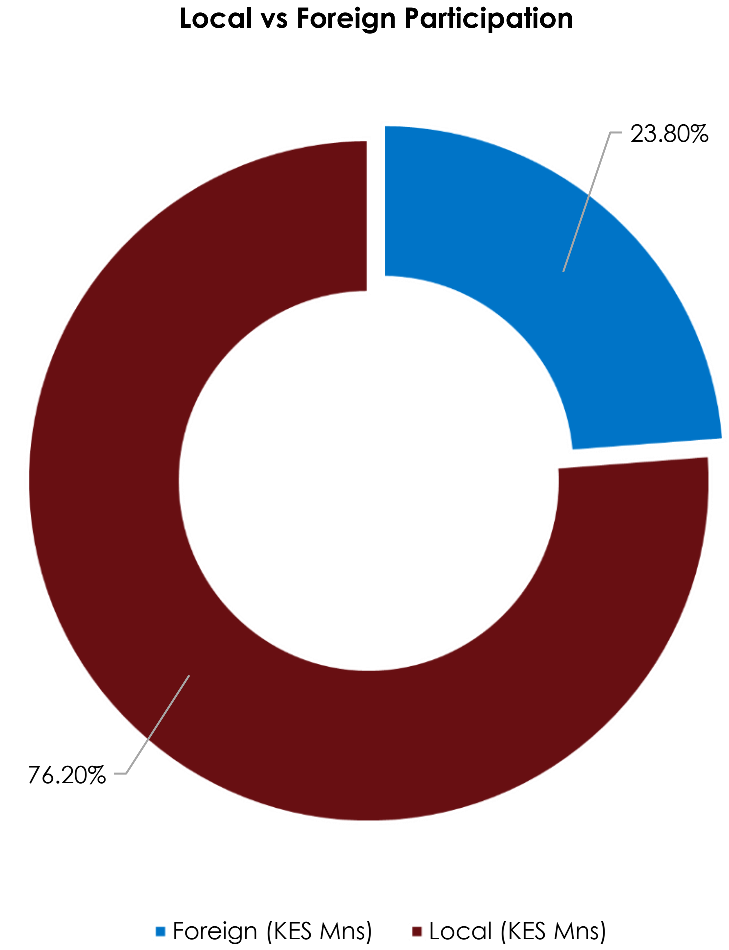
The Competition Authority of Kenya has told Parliament's Finance Committee that it is conditioning its approval of the KES 340 billion sale of Diageo's 65% stake in EABL to Asahi Group on two remedies. The first is a financial reserve of at least 4% of the transaction value, equivalent to approximately KES 15 billion, ring-fenced to settle third-party claims including Bia Tosha's KES 8 billion distributorship claim and JILK Construction's KES 2.45 billion arbitral award. The second requires the merged entity to allocate at least 20% of refrigeration space at retail outlets to rival brands to prevent distribution foreclosure. Both Diageo and Asahi have rejected the conditions as unprecedented and without legal mandate, leaving the transaction at an impasse despite regulatory clearances already secured in Uganda and Tanzania. A separate High Court petition from minority shareholder Christine Irungu, challenging disclosure standards during Diageo's 2022 to 2023 stake buildup, remains active. The Treasury stands to collect KES 42 billion in capital gains tax once the deal closes.

Diesel Falls to KES 217.86 as EPRA Deploys KES 938 Million Stabilisation Support to Shield Petrol and Kerosene Consumers

EPRA announced on August 14, 2026 that diesel in Nairobi will fall by KES 5.00 per litre to KES 217.86 effective August 15, while super petrol and kerosene hold at KES 214.03 and KES 191.38 respectively, protected by a KES 938 million government stabilisation injection from the Petroleum Development Levy. The diesel cut reflects a 13.08% drop in its landed import cost between June and July 2026, driven by easing global crude prices and improved Strait of Hormuz shipping conditions. Super petrol moved the other way, with its landed cost rising 6.99% over the same period, making the stabilisation support necessary to prevent pump price increases. The new prices are in force until September 14, 2026, and follow the government's prior KES 945 million stabilisation deployment for the July to August cycle, reflecting an increasingly routine use of levy funds to manage consumer fuel costs.

Equities Market

Foreign vs Local Investor Participation



Source: Nairobi Securities Exchange

	Foreign (KES Mns)	Local (KES Mns)
Friday, August 14, 2026	931.56	2,983.01
Participation	23.8%	76.2%

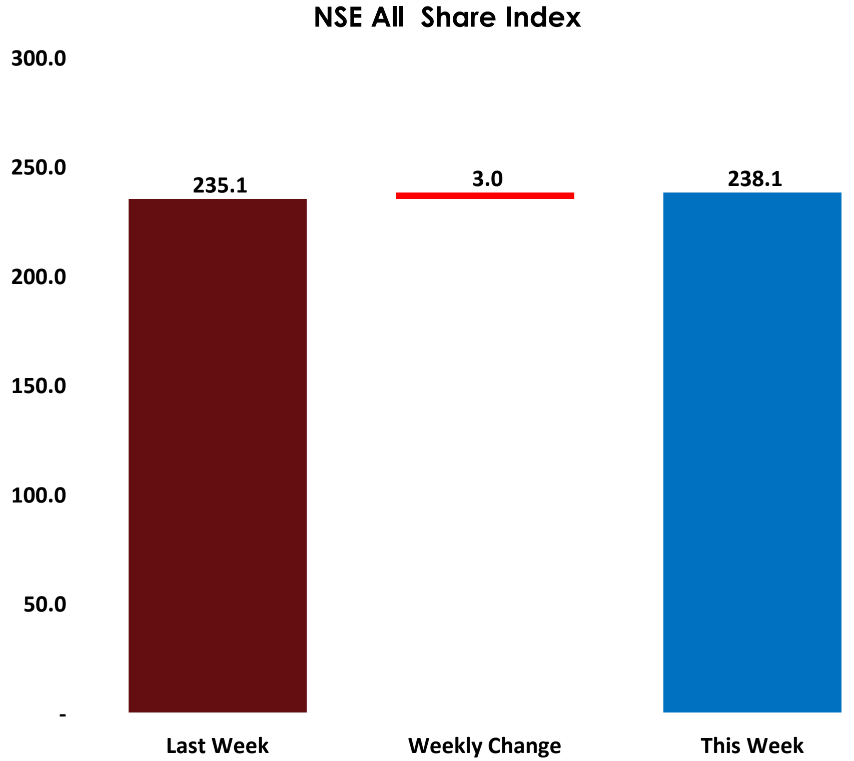
Source: Nairobi Securities Exchange

Equities Market Commentary

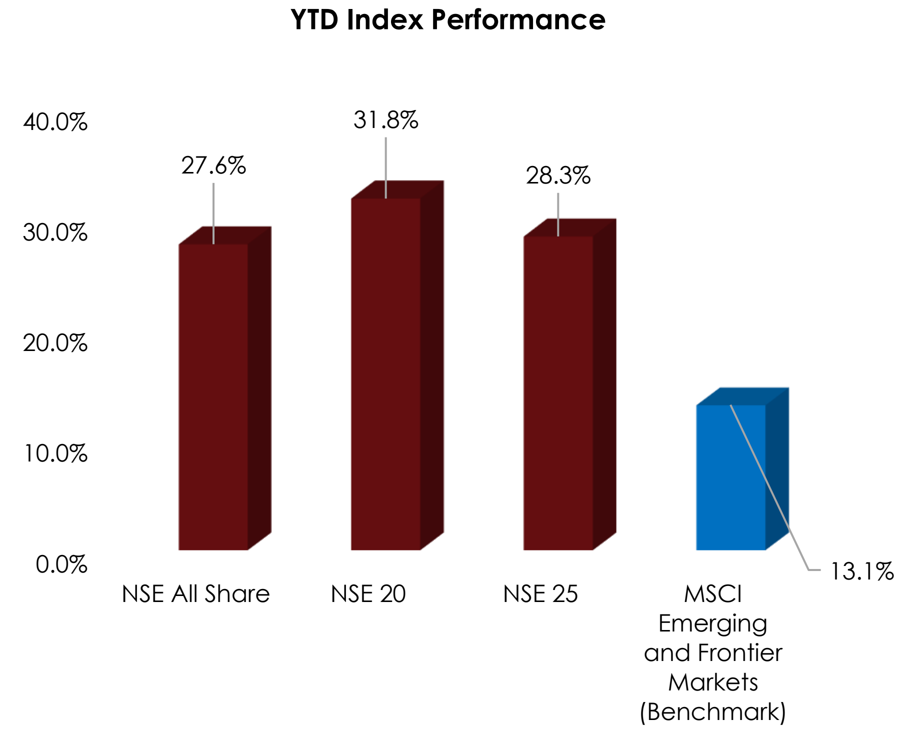
	This Week	Past Week	w-o-w Change	YTD Change
NSE All Share	238.1	235.1	1.3%	27.6%
NSE 20	4,136.1	4,111.1	0.6%	31.8%
NSE 25	6,637.29	6,540.78	1.5%	28.3%
(Benchmark)	1,006.3	1,006.2	0.0%	13.1%

Source: Nairobi Securities Exchange and Bloomberg

The NSE 20 Share increased by 60 bps week-on-week to 4,136.1 from 4,111.1 points recorded in the previous week. The NSE All Share Index (NASI) increased by 130 bps to 238.1 points from 235.1 points, while the NSE 25 Share Index rose by 150 bps to 6,637.29 points from 6,540.78 points. The MSCI Emerging Frontier Markets Index (Benchmark) held steady week on week recording 1,006.3 week-on-week from 1,006.2.



Source: Nairobi Securities Exchange and Bloomberg



Source: Nairobi Securities Exchange and Bloomberg

	This Week	Past Week	w-o-w Change
Market Capitalization (KES Bns)	3,996.38	3,945.10	1.3%
Volume Traded (Mns)	100.09	134.55	-25.6%
Equity Turnover (KES Mns)	3,915	4,147	-5.6%

Source: Nairobi Securities Exchange and Bloomberg

Market capitalization increased by 130 bps week-on-week to KES 3,996.38 billion, from KES 3,945.10 billion in the previous week. Trading activity however showed a decrease in performance during the week, with total volumes traded declining by 25.6% to 100.09 million shares from 134.55 million in the prior week. Equity turnover also fell 5.6% to KES 3,915 million from KES 4,147 million.

Equities Performance

Top Gainers	Last Week	Previous Week	Weekly Change	QTD	YTD
Car & General	262.00	177.25	47.81%	122.98%	413.73%
Flame Tree	2.29	1.93	18.65%	20.53%	45.86%
Carbacid	38.70	35.95	7.65%	17.27%	31.86%
Coop Bank	38.30	35.80	6.98%	11.66%	59.92%
Express	7.26	6.82	6.45%	0.55%	-1.89%

Source: Nairobi Securities Exchange

Top Movers	Last Week	Previous Week	Turnover (KES Mns)
Safaricom	35.40	35.10	1,044.18
KCB	87.25	84.75	627.52
Equity Bank	89.50	85.25	501.96
Co-op Bank	38.30	35.80	216.01
DTB	154.00	154.25	179.64

Source: Nairobi Securities Exchange

Top Losers	Last Week	Previous Week	Weekly Change	QTD	YTD
Uchumi	1.56	1.68	-7.14%	-7.69%	51.46%
Home Afrika	1.13	1.19	-5.04%	-16.30%	-15.67%
TP Serena	15.50	16.30	-4.91%	-0.64%	5.44%
BAT	524.00	551.00	-4.90%	-4.38%	14.16%
Sameer	18.45	19.30	-4.40%	19.03%	29.47%

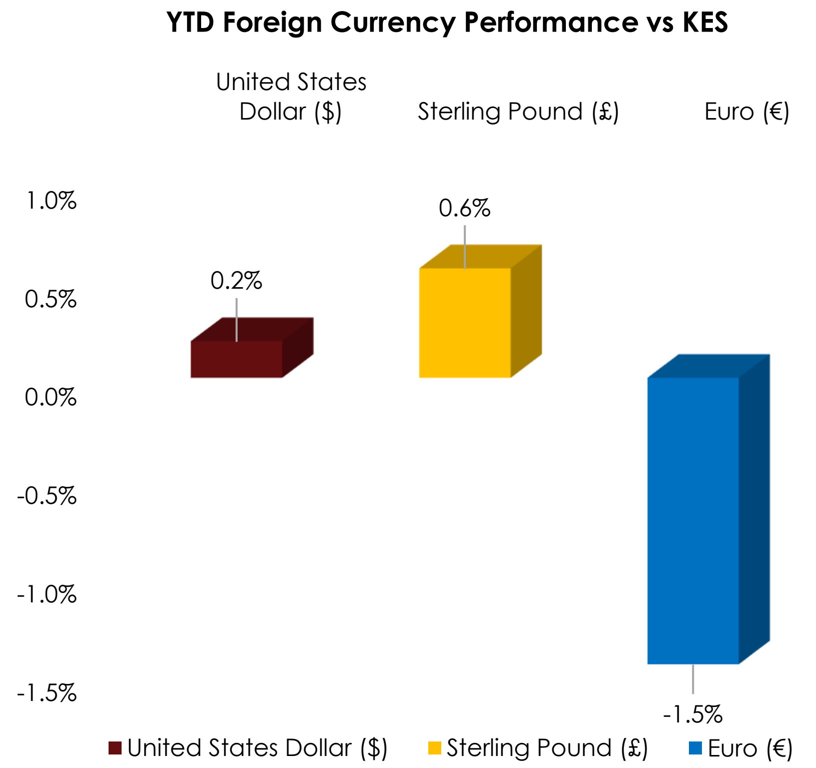
Source: Nairobi Securities Exchange

Exchange Rate

The KES strengthened against the US Dollar during the week by 10 bps, closing at KES 129.23 from KES 129.39 recorded in the previous week. The currency, however, depreciated against the Sterling Pound by 10bps to KES 174.45 from KES 174.25. Furthermore, the Shilling also strengthened against the Euro, appreciating by 10bps, to close at KES 149.15 compared to KES 149.26 in the prior week.

	This Week	Past Week	w-o-w Change	QTD Change	YTD Change
United States Dollar ($)	129.23	129.39	-0.1%	0.2%	0.2%
Sterling Pound (£)	174.45	174.25	0.1%	0.6%	0.6%
Euro (€)	149.15	149.26	-0.1%	-1.5%	-1.5%

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



Source: Central Bank of Kenya Data

Global Markets

	This Week	w-o-w Change	YTD Change
Dow Jones Index	53,732.4	-0.6%	11.8%
S&P 500 Index	7,785.8	0.4%	13.7%
Nasdaq 100 Index	30,046.1	1.1%	19.0%
DAX Index	26,440.3	0.5%	8.0%
FTSE 100 Index	10,750.1	-1.4%	8.2%
Eurostoxx 50 Index	6,539.6	0.2%	12.9%
Shanghai Composite Index	3,927.2	-0.3%	-1.0%
Nikkei 225 Index	68,713.8	4.7%	36.5%

Source: Bloomberg

Global equity markets demonstrated mixed performance week-on-week. The Nikkei 225 index recorded the strongest gains among major markets, advancing 4.7% w-o-w. The Nasdaq 100 index and the Dax Index both advanced by 1.1% and 50 bps respectively. However, the FTSE 100 index recorded the strongest losses decreasing by 1.4% w-o-w. The Dow Jones index and the Shanghai composite index also both declined by 60 bps and 30 bps respectively.

Commodities

	This Week	w-o-w Change	YTD Change
Brent Crude Oil	88.5	5.9%	45.5%
Murban Crude Oil	89.4	11.4%	45.6%
Gold	4,376.4	0.8%	1.3%

Source: Bloomberg

Brent crude oil increased by 5.9% during the week to close at USD 88.5 per barrel, while Murban crude oil increased by 11.4% to USD 89.4 per barrel. The rally was driven by stalled US-Iran talks over reopening the Strait of Hormuz, escalating Washington's economic and naval pressure on Tehran, alongside continued Houthi attacks on Gulf shipping, with Murban's sharper gain underscoring how directly Gulf-adjacent grades are being repriced by the persistent Hormuz risk premium. Gold, also, recorded a weekly increase, rising by 80 bps to close at USD 4,376.4 per ounce.

Treasury Bill Auction Results

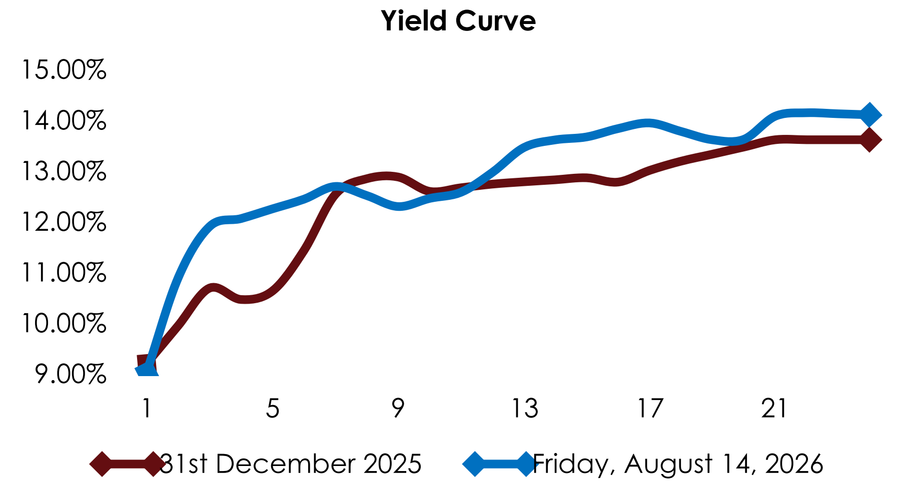
	Amount Offered	Bids Received	Subscription	Bids Accepted	Yield	Subscription w-o-w
91-day	8.0	18.2	228.0%	16.4	8.77%	34.17%
182 - day	10.0	9.0	89.9%	7.1	8.95%	-11.55%
364 - day	10.0	13.6	135.6%	13.6	9.04%	118.41%
Total	**28.0**	**40.8**	145.7%	**37.0**		36.11%

Source: Central Bank of Kenya

Treasury bills recorded an overall subscription rate of 145.7% during the week. Demand remained heavily skewed towards the 91-day Treasury bill, which recorded a subscription rate of 228.0%, while the 182-day and 364-day papers registered subscription rates of 89.9% and 135.6%, respectively.

Yields closed at 8.77% for the 91-day paper, 8.95% for the 182-day paper, and 9.04% for the 364-day paper.

Nairobi Securities Exchange Yield Curve



Stock Recommendation

KenGen-BUY

The stock trades at an attractive valuation, with a P/E of 7.1 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-Sep-2026
Crown paints	Final Dividend	3.0	25-May-2026	26-June-2026	31-Aug-2026
Williamson Tea	Final Dividend	15.0	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
KCB	Interim Dividend	3.0	13-August-2026	2-Sep-2026	10-Nov-2026
Car and General	Interim Dividend	1.0	13-August-2026	3-Sep-2026	10-Sep-2026
LAPTRUST	Interim Distribution	0.13	31-July-2026	14-Aug-2026	30-Sep-2026

Counter Statistics

Agricultural Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Eaagads	28.40	-2.4%	-7.9%	38.5%	2,553	76.8	0.7	0.9
Kakuzi	429.00	-1.1%	-2.2%	6.7%	2,213	21.7	1.5	7.1
Kapchorua Tea	341.00	0.5%	-1.5%	47.3%	9,294	14.7	1.7	7.0
Limuru Tea	525.00	0.0%	-2.4%	14.1%	67	-	9.9	(34.4)
Sasini	24.20	0.6%	3.4%	35.6%	90,701	28.5	0.3	0.6
Williamson Tea	156.50	0.0%	-2.3%	4.7%	55,273	-	0.6	1.5
Sector Average		**-0.4%**	**-2.2%**	**24.5%**		**35.4**	**2.5**	

Automobiles Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Car and General	262.00	47.8%	123.0%	413.7%	208,471	40.6	2.3	-

Banking Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Absa	34.00	1.8%	6.1%	37.7%	4,870,110	8.06	1.7	20.8
Bank of Kigali	61.50	2.5%	14.4%	44.7%	148,169	5.90	-	21.0
Diamond Trust Bank	154.00	-0.2%	6.2%	34.5%	1,165,216	4.58	0.4	10.6
Equity Group	89.50	5.0%	11.9%	34.1%	5,653,962	4.69	1.0	28.8
Housing Finance	11.80	0.0%	19.4%	18.5%	3,587,646	15.73	1.2	8.1
I&M	69.75	2.2%	0.4%	64.3%	597,856	6.46	1.0	17.2
KCB	87.25	2.9%	10.8%	32.7%	7,283,365	4.19	0.8	19.1
NCBA	91.50	-0.5%	2.2%	8.9%	1,110,492	6.44	1.1	18.4
Stanbic Bank	278.50	-1.9%	-0.6%	40.8%	546,768	8.03	1.4	19.3

StanChart	343.75	1.4%	4.9%	15.6%	163,480	10.59	1.8	18.8
The Co-op Bank	38.30	7.0%	11.7%	59.9%	5,659,734	7.60	1.2	18.0
Family Bank	31.90	2.1%	31.8%	-	555.674	8.12	-	16.5
Sector Average		**1.8%**	**7.9%**	**35.6%**		**7.5**	**1.2**	

Commercial Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Eveready	1.02	2.0%	-5.6%	-25.5%	3,560,045	-	-	-
Express Kenya	7.26	6.5%	0.6%	-1.9%	41,639	-	0.7	(28.3)
Longhorn	2.87	-2.4%	0.3%	-1.0%	70,048	-	98.5	(1,001.0)
Nairobi Business Ventures	1.37	-0.7%	3.0%	-6.8%	215,346	-	1.0	(8.6)
Nation Media Group	13.60	1.9%	6.7%	17.7%	231,209	-	0.3	(4.4)
Sameer	18.45	-4.4%	19.0%	29.5%	108,382	18.64	4.6	31.4
Standard Group	6.34	3.3%	8.2%	5.0%	19,275	-	20.8	(183.9)
TPS East Africa	15.50	-4.9%	-0.6%	5.4%	6,772	3.4	0.3	6.8
Uchumi	1.56	-7.1%	-7.7%	51.5%	921,549	-	-	-
WPP Scangroup	2.12	1.4%	1.4%	-16.9%	423,309	-	0.2	(15.6)
Sector Average		**-0.5%**	**2.5%**	**5.7%**		**11.0**	**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	61.50	2.1%	2.1%	12.8%	39,530	9.2	2.0	25.7
E.A. Cables	1.71	0.0%	0.0%	0.0%	516,460	-	1.7	(53.3)
E.A. Portland	119.75	-0.2%	29.8%	62.9%	15,332	10.2	0.5	9.8
Sector Average		**0.5%**	**8.0%**	**18.9%**		**9.7**	**1.3**	

Energy Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
KenGen	11.30	4.1%	15.8%	23.1%	7,971,551	7.1	0.3	3.3
Kenya Power	20.00	-4.1%	16.6%	47.1%	4,540,277	1.6	0.3	23.1
Total Kenya	43.35	-0.1%	-3.2%	12.5%	81,066	12.6	0.2	6.5
Umeme	6.74	-4.0%	-8.4%	-13.8%	263,680	-	-	(158.5)
Sector Average		**-1.0%**	**5.2%**	**17.2%**		**7.1**	**0.3**	

Insurance Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Britam	17.70	-4.1%	41.0%	94.5%	576,142	8.12	1.3	17.2
CIC	4.69	-1.1%	3.3%	2.6%	953,106	22.33	1.2	29.0
Jubilee	399.75	-1.4%	10.8%	19.3%	23,601	5.00	0.5	11.2
Kenya Re	3.79	4.1%	13.8%	25.9%	4,736,347	5.41	0.4	7.5
Liberty	9.48	0.2%	6.0%	-6.1%	186,260	11.15	0.5	4.5
Sanlam Kenya	9.30	-2.9%	17.7%	9.9%	343,408	0.36	0.1	15.8
Sector Average		**-0.9%**	**15.5%**	**24.4%**		**8.7**	**0.7**	

Investment Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Centum	17.55	-1.4%	21.0%	26.7%	562,870	8.6	0.2	3.3
Home Afrika	1.13	-5.0%	-16.3%	-15.7%	4,195,996	8.7	-	-
Olympia	7.80	-3.5%	11.4%	-5.1%	22,591	31.2	0.3	0.9
TransCentury	1.12	0.0%	0.0%	0.0%	1,030,472	-	-	-
Sector Average		**-2.5%**	**4.0%**	**1.5%**		**16.2**	**0.2**	

Investment Services Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Nairobi Securities Exchange	24.60	-1.8%	25.5%	21.5%	815,540	23.7	2.7	12.3

Manufacturing Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
BOC Kenya	179.75	1.0%	5.7%	41.5%	6,052	11.2	1.5	15.2
British American Tobacco	524.00	-4.9%	-4.4%	14.2%	213,379	10.0	3.5	33.6
Carbacid	38.70	7.6%	17.3%	31.9%	184,341	9.8	1.8	21.4
EABL	273.25	-4.1%	1.6%	3.9%	622,092	22.8	6.8	42.6
Flame Tree	2.29	18.7%	20.5%	45.9%	773,634	-	0.2	(1.2)
Kenya Orchards	70.00	0.0%	0.0%	0.0%	100	500.0	9.2	6.7
Unga Group	34.00	1.2%	24.8%	46.6%	61,763	19.7	0.7	15.9
Sector Average		**2.8%**	**9.4%**	**26.3%**		**95.6**	**3.4**	

Telecommunications Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Safaricom	35.40	0.9%	4.0%	24.9%	29,465,056	20.8	7.3	50.5

Top 10 Dividend Yield

	Last Price	Dividend Yield
Umeme	6.74	96.4%
Kapchorua	341.00	12.6%
Nation Media Group	13.60	12.5%
Bamburi	54.00	10.2%
Williamson Tea	156.50	10.0%
KenGen	11.30	9.2%
Carbacid	38.70	6.9%
Kenya Power	20.00	6.6%
Equity Bank	89.50	6.1%
Diamond Trust	154.00	6.0%

Agricultural

	Last Price	Dividend Yield
Eaagads	28.40	0.0%
Kakuzi	429.00	1.9%
Kapchorua	341.00	8.8%
Limuru Tea	525.00	0.2%
Sasini	24.20	2.1%
Williamson Tea	156.50	9.6%

Automobile

	Last Price	Dividend Yield
Car and General	262.00	0.4%

Banking

	Last Price	Dividend Yield
Absa	34.00	0.6%
Bank of Kigali	61.50	2.8%
Diamond Trust	154.00	4.5%
Equity Bank	89.50	4.7%
Housing Finance	11.80	0.0%
I&M	69.75	2.2%
KCB	87.25	3.4%
NCBA	91.50	2.7%
Stanbic	278.50	1.4%
StanChart	343.75	2.3%
The Coop Bank	38.30	2.6%

Commercial and Services

	Last Price	Dividend Yield
Eveready	1.02	0.0%
Express Kenya	7.26	0.0%
Longhorn	2.87	0.0%
NBV	1.37	0.0%
Nation Media Group	13.60	11.0%
Sameer	18.45	0.0%
Standard Group	6.34	0.0%
TP Serena	15.50	2.3%
Uchumi	1.56	0.0%
ScanGroup	2.12	0.0%

Construction and Allied

	Last Price	Dividend Yield
Bamburi	54.00	10.2%
Crown Paints	61.50	4.9%
E.A. Cables	1.71	0.0%
E.A. Portland	119.75	1.0%

Energy and Petroleum

	Last Price	Dividend Yield
KenGen	11.30	8.0%
Kenya Power	20.00	5.0%
Total Kenya	43.35	4.4%
Umeme	6.74	118.7%

Insurance

	Last Price	Dividend Yield
Britam	17.70	0.0%
CIC	4.69	2.8%
Jubilee	399.75	2.9%
Kenya Re	3.79	4.0%
Liberty Kenya	9.48	5.3%
Sanlam	9.30	0.0%

Investment

	Last Price	Dividend Yield
Centum	17.55	2.4%
Home Afrika	1.13	0.0%
Olympia	7.80	0.0%
TransCentury	1.12	0.0%

Investment Services

NSE	24.60	1.3%

Manufacturing & Allied

	Last Price	Dividend Yield
BOC	179.75	1.4%
British American Tobacco	524.00	1.9%
Carbacid	38.70	5.2%
EABL	273.25	3.2%
Flame Tree	2.29	0.0%
Kenya Orchards	70.00	0.0%
Unga Group	34.00	0.0%

Telecommunications

	Last Price	Dividend Yield
Safaricom	35.40	3.2%

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