FAIDA
INVESTMENT BANK

Weekly Market Report

Week 27

Week Ending on Friday, July 3rd, 2026

Head Office:

Crawford Business Park
Ground Floor
State House Road
Telephone: 0207606026-37
P.O. Box 45236-0100
Nairobi

Weekly Highlights

Vodacom Takes Majority Control of Safaricom in KES 272 billion Transaction

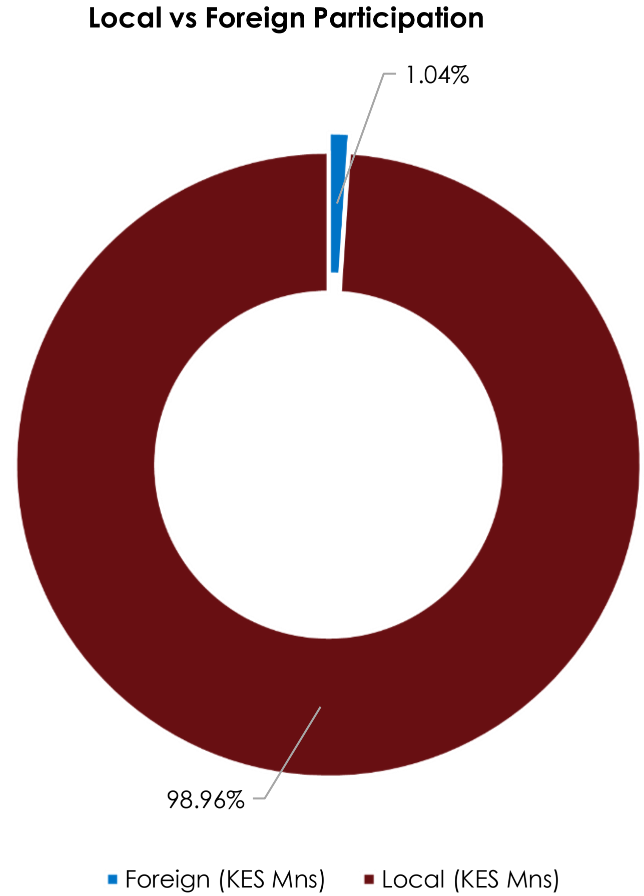
On June 30, 2026, Vodacom Group completed its acquisition of an additional 20% effective stake in Safaricom PLC, lifting its shareholding to 54.94% in a deal valued at KES 272 billion (US$ 2.1 billion). Vodacom acquired a 15% stake from the Government of Kenya via a block trade on the NSE at KES 34 per share, covering approximately 6 billion shares worth KES 204.3 billion, plus an effective 5% from Vodafone Group through Vodafone Kenya Limited. The transaction had been held up by a constitutional challenge before the Court of Appeal on June 26 lifted the blocking order, with judges noting delays were costing the state up to KES 70 million per day. The CMA also granted an exemption from a mandatory takeover offer to minority shareholders, clearing the final regulatory hurdle. Safaricom now moves from being reported as an associate to full consolidation in Vodacom's financials under IFRS, a material shift given Safaricom's EBITDA of R29 billion against the group's R63 billion in FY26. The Government retains a 20% stake alongside a KES 40.2 billion dividend top-up structured against its remaining shareholding, while Safaricom stays listed on the NSE. Vodacom is expected to update on revised medium-term targets on or around July 27, 2026, with its first quarter trading results.

Equity Bank Moves to Recover KES 2.2 billion Through TransCentury Subsidiary Sales

The joint receivers of NSE-listed TransCentury PLC, Muniu Thoithi and George Weru of PricewaterhouseCoopers, announced on July 2, 2026 the signing of share purchase agreements for two subsidiary disposals generating combined proceeds of KES 2.2 billion toward the KES 4.8 billion owed to Equity Bank Kenya. The larger deal involves TransCentury's 70% stake in Tanelec Limited being sold to Tanzanian firm Msufini (T) Limited for US$ 16.35 million (KES 2.1 billion). Tanelec, a manufacturer of power transformers and switchgear serving East and Central African power grids, was valued at KES 2.25 billion at end of 2023 when it was generating KES 3.1 billion in annual revenue and was originally acquired in 2007 for just KES 78.7 million. In a second transaction, the receivers agreed to sell the group's 94.4% stake in Avery East Africa to SPAC Hill Capital Limited for KES 111.1 million, a sharp discount to its KES 319 million valuation, reflecting typical distressed-sale pricing. Together the two deals would recover roughly 46% of the outstanding debt, with Equity Bank continuing to pursue recoveries elsewhere, including through the ongoing administration of East African Cables PLC over a separate KES 2.2 billion exposure. The receivership, which dates to June 2023 following a rights issue that raised only KES 828 million against a KES 2 billion target, remains one of the most prolonged corporate debt recoveries in Kenyan market history.

Equities Market

Foreign vs Local Investor Participation



Source: Nairobi Securities Exchange

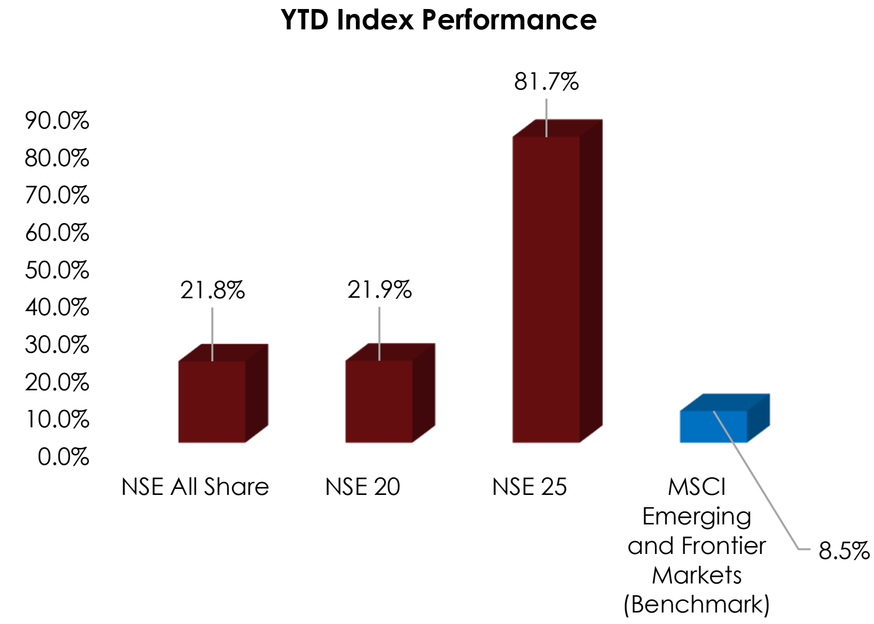
	Foreign (KES Mns)	Local (KES Mns)
Friday, July 3, 2026	2,235.27	213,020
Participation	1.04%	98.96%

Source: Nairobi Securities Exchange

Equities Market Commentary

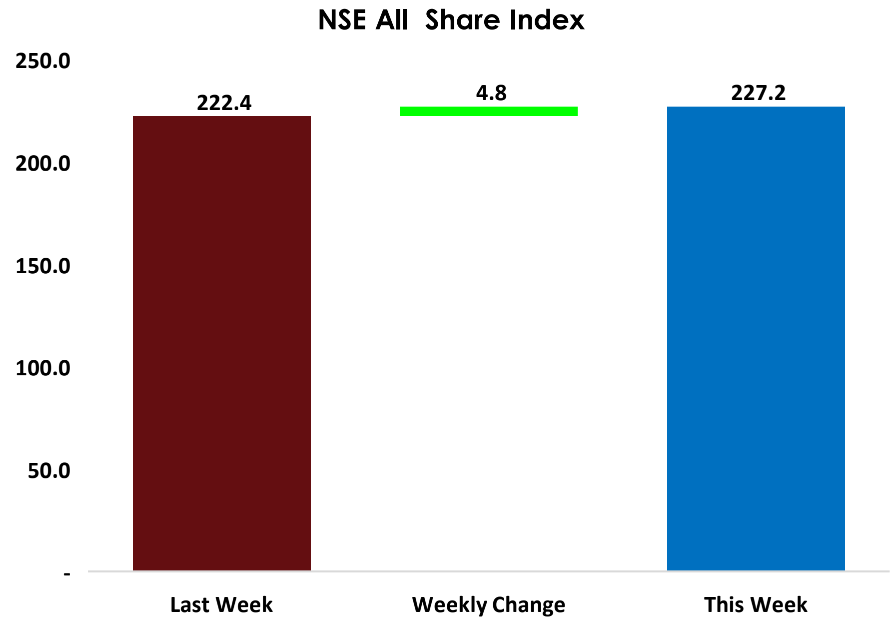
	This Week	Past Week	w-o-w Change	YTD Change
NSE All Share	227.17	222.42	2.1%	21.8%
NSE 20	3,827.10	3,743.18	2.2%	21.9%
NSE 25	6,344.17	6,184.12	2.6%	81.7%
(Benchmark)	964.9	950.0	1.6%	8.5%

Source: Nairobi Securities Exchange and Bloomberg



Source: Nairobi Securities Exchange and Bloomberg

The NSE 20 Share increased by 2.2% week-on-week to 3827.1 from 3743.18 points recorded in the previous week. The NSE All Share Index (NASI) also increased by 2.1% to 227.17 points from 222.42 points, while the NSE 25 Share Index rose by 2.6% to 6,344.17 points from 6,184.12 points. The MSCI Emerging Frontier Markets Index (Benchmark) also recorded a week-on-week increase of 1.6% to 964.9 points from 950.0 points.



Source: Nairobi Securities Exchange and Bloomberg

	This Week	Past Week	w-o-w Change
Market Capitalization (KES Bns)	3,812.37	3,732.65	2.14%
Volume Traded (Mns)	6,186.71	163.54	3682.99%
Equity Turnover (KES Mns)	215,260	7,378	2817.59%

Source: Nairobi Securities Exchange and Bloomberg

Market capitalization increased by 2.14% week-on-week to KES 3,812.37 billion, from KES 3,732.65 billion in the previous week.

Trading activity showed a massive surge in performance during the week, with total volumes traded rising by 3682.99% to 6,186.71 million shares from 163.54 million in the prior week. Equity turnover also surged by 2817.59% to KES 215,260 million from KES 7,378million.

Equities Performance

Top Gainers	Last Week	Previous Week	Weekly Change	QTD	YTD
NSE	22.90	19.50	17.4%	13.1%	33.9%
CARBACID	35.10	31.50	11.4%	19.6%	0.9%
HF GROUP	10.50	9.50	10.5%	5.4%	134.0%
NBV	69.25	65.25	10.1%	-3.4%	0.0%
EA PORTLAND	10.50	9.50	9.3%	35.4%	25.2%

Source: Nairobi Securities Exchange

Top Movers	Last Week	Previous Week	Turnover (KES Mns)
Safaricom	34.20	33.6	205,071.00
Equity Bank	87.00	79.75	6,218.53
KCB	78.50	76	974.89
EABL	270.50	270.5	686.67
IMH	69.00	65.75	334.24

Source: Nairobi Securities Exchange

Top Losers	Last Week	Previous Week	Weekly Change	QTD	YTD
Crown paints	61.50	65.50	-6.1%	12.8%	134.8%
NCBA	88.25	91.75	-3.8%	5.1%	-9.7%
Family bank	23.60	24.50	-3.7%	-2.5%	-
Standard group	5.98	6.20	-3.5%	-1.0%	50.5%
Uchumi	1.65	1.70	-2.9%	60.2%	9.2%

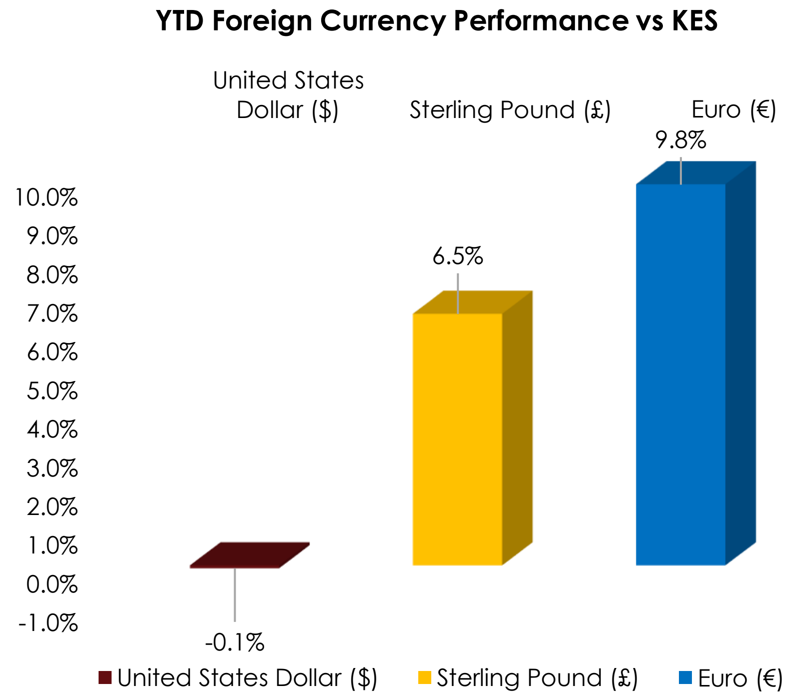
Source: Nairobi Securities Exchange

Exchange Rate

The KES strengthened against the US Dollar during the week, appreciating by 0.3% to close at KES 129.21 from KES 129.64 recorded in the previous week. The currency, however, depreciated against the Sterling Pound by 0.9% to KES 172.74 from KES 171.17. Furthermore, the Shilling weakened against the Euro, depreciating by 0.3%, to close at KES 147.98 compared to KES 147.49 in the prior week.

	This Week	Past Week	w-o-w Change	QTD Change	YTD Change
United States Dollar ($)	129.21	129.64	-0.3%	0.0%	-0.1%
Sterling Pound (£)	172.74	171.17	0.9%	-2.7%	6.5%
Euro (€)	147.98	147.49	0.3%	-2.8%	9.8%

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	52,900.1	2.0%	10.1%
S&P 500 Index	7,483.2	1.8%	9.3%
Nasdaq 100 Index	29,329.2	0.7%	16.2%
DAX Index	25,779.3	4.5%	5.3%
FTSE 100 Index	10,679.0	1.6%	7.5%
Eurostoxx 50 Index	6,412.7	3.1%	10.7%
Shanghai Composite Index	4,043.6	0.4%	1.9%
Nikkei 225 Index	69,744.1	0.6%	38.5%

Source: Bloomberg

Global equity markets delivered positive performance during the week. The DAX Index recorded the strongest gains among major markets, advancing 4.5% w-o-w, while the Dow Jones Index rose by 2.0%. In the United States, the S&P 500 Index also increased by 1.8%. The Nasdaq 100 index increased by 0.7%. The Eurostoxx Index also increased by 3.1%. Meanwhile, the Shanghai Composite Index marginally increased by 0.4% week-on-week.

Commodities

	This Week	w-o-w Change	YTD Change
Brent Crude Oil	72.1	0.2%	18.5%
Murban Crude Oil	66.5	-0.1%	8.3%
Gold	4,176.9	2.2%	-3.4%

Source: Bloomberg

Brent crude oil increased by 0.2% during the week to close at USD 72.1 per barrel, while Murban crude oil fell marginally by 0.1% to USD 66.5 per barrel. Gold, however, recorded a weekly increase, rising by 2.2% to close at USD 4,176.9 per ounce.

Treasury Bill Auction Results

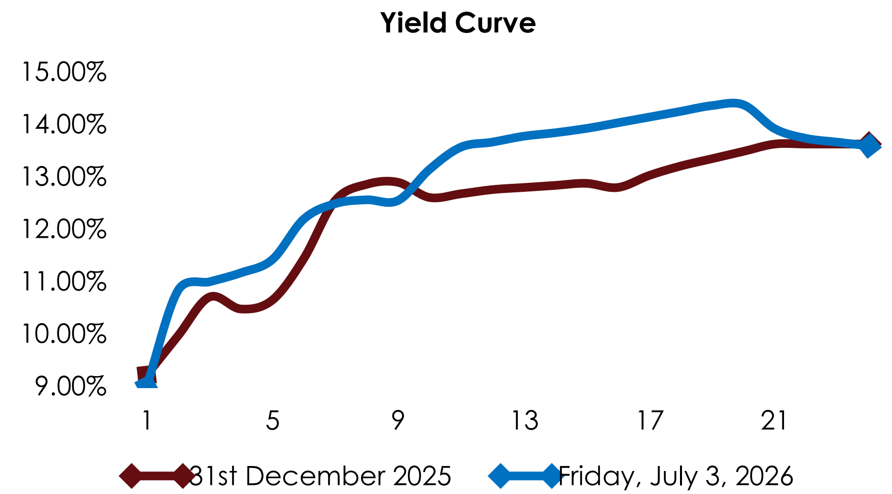
	Amount Offered	Bids Received	Subscription	Bids Accepted	Yield	Subscription w-o-w
91-day	4.0	26	640.4%	16.1	8.83%	11.30%
182 -day	10.0	2	24.9%	1.5	8.96%	9.57%
364 -day	10.0	7	70.9%	7.1	9.00%	155.38%
Total	**24.0**	**35**	146.6%	**24.7**		25.42%

Source: Central Bank of Kenya

Treasury bills recorded an overall subscription rate of 146.6% during the week. Demand remained heavily skewed towards the 91-day Treasury bill, which recorded a subscription rate of 640.4%, while the 182-day and 364-day papers registered subscription rates of 24.9% and 70.9%, respectively.

Yields closed at 8.83% for the 91-day paper, 8.96% for the 182-day paper, and 9.00% for the 364-day paper.

Nairobi Securities Exchange Yield Curve



Source: NSE Data

Stock Recommendation

KCB– BUY

KCB's Q1'2026 results demonstrate resilient earnings growth with PBT up 15.3% to KES 24.4 billion from KES 21.2 billion in Q1'2025, record operating income of KES 53.6 billion, and a strong balance sheet of KES 2.25 trillion. Key positives include falling funding costs with interest expense down 11.1%, a fifth straight quarter of NPL improvement by 6.64% in Q1'2026 to KES 217.8 billion from KES 233.3 billion in Q1'2025, and ROE of 21.5% within guidance. While net interest income growth came from cost reduction rather than yield expansion, the 18.7% loan book expansion and 25% surge in mobile loan disbursements signal robust activity. Customer deposits up by 15.7% fund growth safely. Risks remain on past high NPLs and reliance on rate unwind, but trends justify a positive stance.

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
Equity Group	Final Dividend	5.75	18-March-2026	22-May-2026	30-June-2026
Diamond Trust Bank	Final Dividend	9.00	24-March-2026	22-May-2026	26-June-2026
Liberty	Final Dividend	0.50	11-March-2026	15-June-2026	30-Aug-2026
NSE	Final Dividend	1.00	27-March-2026	21-May-2026	31-July-2026
Kenya Re Insurance	Final Dividend	0.15	27-March-2026	19-June-2026	31-July-2026
Jubilee Holdings	Final Dividend	13.00	10-April-2026	11-June-2026	24-July-2026
BOC Kenya	Final Dividend	10.35	16-April-2026	31-May-2026	21-July-2026
TPS Eastern Africa	Final Dividend	0.35	30-April-2026	26-June-2026	30-July-2026
Total Energies	Final Dividend	3.45	30-April-2026	24-June-2026	31-July-2026
Car and General	Final Dividend	3.12	30-April-2026	24-June-2026	30-June-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	30.60	4.8%	-0.8%	49.3%	-	82.7	0.8	0.9
Kakuzi	438.00	0.2%	-0.1%	9.0%	5,655	22.2	1.5	7.1
Kapchorua Tea	322.50	0.4%	-6.9%	39.3%	26,502	13.9	2.5	9.6
Limuru Tea	538.00	0.0%	0.0%	17.0%	252	-	9.9	(34.4)
Sasini	24.15	5.7%	3.2%	35.3%	58,079	28.4	0.3	0.9
Williamson Tea	156.25	4.0%	-2.5%	4.5%	169,542	-	0.5	(3.0)
Sector Average		**2.5%**	**-1.2%**	**25.7%**		**36.8**	**2.6**	

Automobiles Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Car and General	118.75	3.3%	1.1%	132.8%	17,857	18.4	1.7	-

Banking Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Absa	32.80	0.9%	2.3%	32.8%	6,803,076	7.77	1.7	22.2
Bank of Kigali	53.75	0.5%	0.0%	26.5%	111,602	5.16	-	25.0
Diamond Trust Bank	145.00	2.8%	0.0%	26.6%	2,286,997	4.31	0.4	10.1
Equity Group	87.00	9.1%	8.7%	30.3%	77,508,769	4.56	1.0	37.7
Housing Finance	10.50	10.5%	6.3%	5.4%	1,401,710	14.00	1.1	9.1
I&M	69.00	4.9%	-0.7%	62.5%	4,820,622	6.30	1.0	18.0
KCB	78.50	3.3%	-0.3%	19.4%	12,473,167	3.77	0.7	21.1
NCBA	88.25	-3.8%	-1.4%	5.1%	2,959,037	6.21	1.1	19.1
Stanbic Bank	288.00	-1.0%	2.8%	45.6%	684,507	8.30	1.4	17.6

StanChart	339.00	1.3%	3.4%	14.0%	768,678	10.44	1.8	15.3
The Co-op Bank	34.80	0.9%	1.5%	45.3%	1,893,794	6.90	1.2	18.8
Sector Average		**2.7%**	**2.1%**	**28.5%**		**7.1**	**1.1**	

Commercial Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Eveready	1.10	5.8%	1.9%	-19.7%	2,114,260	-	-	-
Express Kenya	7.18	-0.6%	-0.6%	-3.0%	17,216	-	0.7	(28.3)
Longhorn	2.68	-1.5%	-6.3%	-7.6%	118,072	-	91.6	(1,001.0)
Nairobi Business Ventures	1.42	10.1%	6.8%	-3.4%	264,710	-	1.1	(8.6)
Nation Media Group	12.90	1.6%	1.2%	11.7%	52,678	-	0.3	(4.4)
Sameer	16.10	2.5%	3.9%	13.0%	56,020	16.26	4.4	31.4
Standard Group	5.98	-3.5%	2.0%	-1.0%	17,779	-	20.8	(183.9)
TPS East Africa	15.30	-2.5%	-1.9%	4.1%	40,711	3.4	0.4	7.0
Uchumi	1.65	-2.9%	-2.4%	60.2%	674,684	-	-	-
WPP Scangroup	2.10	1.9%	0.5%	-17.6%	294,519	-	0.2	(15.6)
Sector Average		**1.1%**	**0.5%**	**3.7%**		**9.8**	**15.0**	

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	-6.1%	2.1%	12.8%	24,689	9.2	2.1	24.6
E.A. Cables	1.71	0.0%	0.0%	0.0%	516,460	-	1.7	(53.3)
E.A. Portland	99.50	9.3%	7.9%	35.4%	17,526	8.4	0.4	9.4
Sector Average		**0.8%**	**2.5%**	**12.1%**		**8.8**	**1.3**	

Energy Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
KenGen	9.86	-0.4%	1.0%	7.4%	6,408,682	6.2	0.2	3.3
Kenya Power	17.60	1.1%	2.6%	29.4%	3,479,007	1.4	0.3	23.1
Total Kenya	44.45	3.5%	-0.8%	15.3%	177,568	12.9	0.2	6.5
Umeme	7.48	2.7%	1.6%	-4.3%	91,167	-	-	(158.5)
Sector Average		**1.7%**	**1.1%**	**11.9%**		**6.8**	**0.3**	

Insurance Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Britam	13.15	3.1%	4.8%	44.5%	711,650	6.03	1.0	17.2
CIC	4.59	2.7%	1.1%	0.4%	1,019,572	21.86	1.2	29.0
Jubilee	382.25	6.3%	6.0%	14.1%	18,681	4.78	0.5	11.2
Kenya Re	3.35	0.9%	0.6%	11.3%	6,429,575	4.79	0.3	7.5
Liberty	9.10	0.9%	1.8%	-9.9%	302,135	10.71	0.5	4.5
Sanlam Kenya	8.10	3.1%	2.5%	-4.3%	55,236	0.32	0.0	15.8
Sector Average		**2.8%**	**2.8%**	**9.4%**		**8.1**	**0.6**	

Investment Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Centum	14.75	3.5%	1.7%	6.5%	341,903	7.2	0.2	3.3
Home Afrika	1.28	-1.5%	-5.2%	-4.5%	606,775	9.8	-	-
Olympia	7.12	0.3%	1.7%	-13.4%	55,754	28.5	0.3	0.9
TransCentury	1.12	0.0%	0.0%	0.0%	1,030,472	-	-	-
Sector Average		**0.6%**	**-0.4%**	**-2.8%**		**15.2**	**0.2**	

Investment Services Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Nairobi Securities Exchange	22.90	17.4%	16.8%	13.1%	2,350,368	22.0	2.4	12.3

Manufacturing Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
BOC Kenya	177.75	8.5%	4.6%	40.0%	18,321	11.1	1.6	15.2
British American Tobacco	566.00	3.7%	3.3%	23.3%	115,615	10.8	3.7	33.6
Carbacid	35.10	11.4%	6.4%	19.6%	184,742	8.9	1.8	21.4
EABL	270.50	0.0%	0.6%	2.9%	2,603,912	22.6	6.6	42.6
Flame Tree	1.86	-2.1%	-2.1%	18.5%	111,372	-	0.2	(1.2)
Kenya Orchards	70.00	0.0%	0.0%	0.0%	100	500.0	9.2	6.7
Unga Group	28.95	7.8%	6.2%	24.8%	15,747	16.7	0.6	15.9
Sector Average		**4.2%**	**2.7%**	**18.4%**		**95.0**	**3.4**	

Telecommunications Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Safaricom	34.20	1.8%	0.4%	20.6%	1,736,539,420	20.1	6.8	50.5

Top 10 Dividend Yield

	Last Price	Dividend Yield
Umeme	7.48	114.6%
Liberty Kenya	9.10	15.3%
Kapchorua	322.50	12.4%
Nation Media Group	12.90	11.5%
Bamburi	54.00	10.2%
KenGen	9.86	8.7%
Kenya Power	17.60	7.1%
Equity Bank	87.00	6.6%
Carbacid	35.10	6.4%
KCB	78.50	6.2%

Agricultural

	Last Price	Dividend Yield
Eaagads	30.60	0.0%
Kakuzi	438.00	1.8%
Kapchorua	322.50	7.8%
Limuru Tea	538.00	0.2%
Sasini	24.15	2.1%
Williamson Tea	156.25	6.4%

Automobile

	Last Price	Dividend Yield
Car and General	118.75	2.6%

Banking

	Last Price	Dividend Yield
Absa	32.80	0.6%
Bank of Kigali	53.75	3.2%
Diamond Trust	145.00	6.2%
Equity Bank	87.00	6.6%
Housing Finance	10.50	0.0%
I&M	69.00	2.5%
KCB	78.50	5.1%
NCBA	88.25	2.8%
Stanbic	288.00	1.3%
StanChart	339.00	2.4%
The Coop Bank	34.80	2.9%

Commercial and Services

	Last Price	Dividend Yield
Eveready	1.10	0.0%
Express Kenya	7.18	0.0%
Longhorn	2.68	0.0%
NBV	1.42	0.0%
Nation Media Group	12.90	11.6%
Sameer	16.10	0.0%
Standard Group	5.98	0.0%
TP Serena	15.30	2.3%
Uchumi	1.65	0.0%
ScanGroup	2.10	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	99.50	1.3%

Energy and Petroleum

	Last Price	Dividend Yield
KenGen	9.86	9.1%
Kenya Power	17.60	5.7%
Total Kenya	44.45	7.8%
Umeme	7.48	107.0%

Insurance

	Last Price	Dividend Yield
Britam	13.15	0.0%
CIC	4.59	2.8%
Jubilee	382.25	3.4%
Kenya Re	3.35	4.5%
Liberty Kenya	9.10	5.5%
Sanlam	8.10	0.0%

Investment

	Last Price	Dividend Yield
Centum	14.75	2.2%
Home Afrika	1.28	0.0%
Olympia	7.12	0.0%
TransCentury	1.12	0.0%

Investment Services

NSE	20.15	5.0%
NSE	22.90	4.4%

Manufacturing & Allied

	Last Price	Dividend Yield
BOC	177.75	5.8%
British American Tobacco	566.00	1.8%
Carbacid	35.10	5.7%
EABL	270.50	2.0%
Flame Tree	1.86	0.0%
Kenya Orchards	70.00	0.0%
Unga Group	28.95	0.0%

Telecommunications

	Last Price	Dividend Yield
Safaricom	34.20	3.4%

To receive Investment Opportunities and the Latest Market Recommendations:

Add **+254743552341** on WhatsApp

Call us on mobile at **254 (0) 709 228 600**

To book an appointment with a Wealth Manager,

For Online Share Trading (OST) via browser,

For the Faida M-Trader Application,

CONTACTS

Research Team:
Sean Yeri
sean.yeri@fib.co.ke
Team Email
research@fib.co.ke