ABC Capital Weekly Market Report

Member of the NSE since 1954

Week *Ending 12th December 2025*

1. Capital Markets

Top Gainers | Top Losers

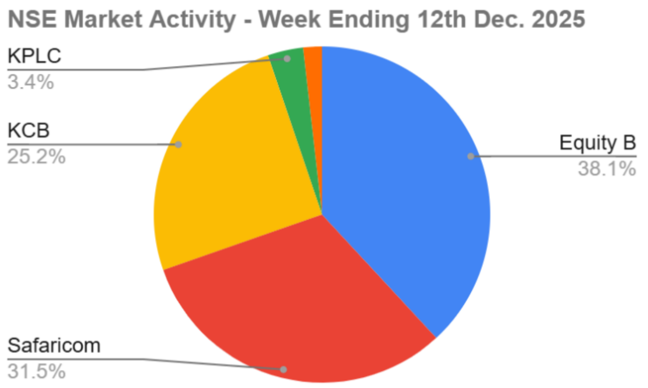
Company	Price	% Change	Company	Price	% Change
LKL	2.89	8.24%	Uchumi	1.59	-9.66%
East Africa Portland	75.50	6.34%	TCL	1.12	-7.44%
Nation Media Group	13.00	6.12%	FTGH	1.59	-4.79%
SMER	13.45	5.49%	HAFR	1.06	-3.64%
kcb	59.75	4.82%	Nairobi Business Ventures	1.45	-2.68%

Source: Nairobi Securities Exchange (NSE)

For the week ended **12 December 2025,** activity at the Nairobi Securities Exchange (NSE) improved, supported by higher trading volumes and turnover, despite mixed performance across the major equity indices.

Total equity turnover rose to **KES 4.16 billion, up 29.29% week-on-week**, while traded volumes increased to **126.45 million shares, representing a 17.61% increase from the previous week.** Market participation remained concentrated in a few large-cap counters, particularly within the banking and telecommunications sectors.

Market capitalization declined marginally by 1.07% to KES 2.80 trillion, reflecting price weakness in select large-cap stocks.



Performance across the main indices was mixed. The **NSE 20 Share Index** increased by **2.18%,** supported by gains in blue-chip stocks, while the **NSE 25 Share Index** recorded a marginal increase of **0.08%**. In contrast, the **NASI All-Share Index** declined by **1.07%**, and the **NSE 10 Share Index** eased by **0.46%**, indicating continued selective investor positioning.

Performance by Equity Turnover

Equity turnover rose sharply during the week ended **12 December 2025**, increasing to **KES 4.16 billion** from **KES 3.22 billion** in the previous week, alongside a notable rise in traded volumes. The increase in turnover reflects heightened activity in a few high-value, liquid counters, underscoring the continued dominance of large-cap stocks in driving overall market value.

Trading activity remained heavily concentrated among a small group of blue-chip names. **Equity Group Holdings Plc** emerged as the leading counter by turnover, recording approximately **KES 1.41 billion**, followed closely by **Safaricom Plc** with about **KES 1.02 billion. KCB Group Plc** posted turnover of roughly **KES 929.65 million**, while **Kenya Power & Lighting Company Plc (KPLC)** and **KenGen Plc** recorded **KES 125.54 million** and **KES 66.68 million**, respectively.

Collectively, these counters accounted for approximately **73.26% of total market turnover**, highlighting the narrow concentration of liquidity within the equity market. In contrast, activity across most small- and mid-cap stocks remained subdued, with the majority recording weekly turnovers below **KES 10 million**, and several trading below **KES 1 million**. This continued disparity points to a persistent liquidity gap between the market's large-cap leaders and the broader equity universe.

Corporate Announcements.

- Safaricom Tranche 1 Note Results; Safaricom's KES 15bn offer was oversubscribed to KES 41.4bn (275.7%), prompting the activation of the KES 5bn greenshoe to raise total allotment to KES 20bn.
- **NSE PLC Change of Internal Auditor;** Dr. Fredrick Okong'o Ouma has resigned as Head of Internal Audit, effective 22nd December 2025, and Ms. Annette Musehenga has been appointed Manager, Internal Audit effective 1st January 2026

Dividend announcements

Company	Announcement
BK GROUP PLC	BK Group; announced an Interim **Dividend of Rwf.11.20** on 21-Nov-2025; **Books Closure; 08-Dec-2025; Payment date; 12-Jan-2026**
I&M Bank	I&M Bank Ltd; announced an Interim **Dividend of Kes.1.50** on 20-Nov-2025; **Books Closure; 15-Dec-2025; Payment date; 14-Jan-2026**
Co-oporatibve Bank	Co-operative Bank of Kenya Plc; announced an Interim Dividend of Kes.1.00; On 13-Oct-2025; **Books Closure 26-Nov-2025; Payment 04-Dec-2025**
Kapchorua Tea Kenya Plc	Announced a Bonus Issue of a ratio of 1:1 on 27-Jun-2025; **Books Closure; 13-Oct-2025; Credit date; 03-Nov-2025**

Bonds

Bond	Value Traded (Kshs. Mn)	WoW (%) Change
Total Mkt Value	54,840.51	-9.40%

Source: Nairobi Securities Exchange (NSE)

For the week ended **12 December 2025**, activity in the secondary bond market moderated, with total bond turnover declining to **KES 54,840.51 million**, down **9.40%** from **KES 60,530.38 million** recorded in the previous week. The easing in turnover reflects reduced trading volumes following heavy activity in the prior period, although market participation remained healthy across key benchmark issues.

Despite the softer turnover, bond prices firmed modestly during the week. The **NSE Bond Index** rose by **0.49%** to close at **1,167.30**, compared to **1,161.57** in the preceding week, indicating mild yield compression across selected tenors. Investor demand continued to favour mid- to long-dated securities amid easing domestic monetary conditions and stable inflation expectations.

(Kshs. Mn)	Auction Results	Auction Results
Bond	SDB1/2011/030	FXD1/2021/025
Tenor	30 Years	25 Years
Due Date	21/01/2041	09/04/2047
Total Amt. Offered	40 billion	
Total Amt. Bids	4,589.49	48,542.38
Amount Accepted	3,901.19	43,208.92
Market WaR	13.4393%	13.6430%
Accepted Bids WaR	13.3247%	13.7460%
Coupon Rate (%)	12.00	13.924
Withholding Tax	10.00%	10.00%

Source: Central Bank of Kenya (CBK)

For the week ended **December 10, 2025**, the Central Bank of Kenya finalized the results for the reopened 30-year SDB1/2011/030 and 25-year FXD1/2021/025 Treasury bonds auctioned on December 3, attracting strong investor participation, particularly on the longer-dated FXD issue.

The **SDB1/2011/030** received bids totaling **KES 4.59 billion** against the **KES 40 billion** on offer, translating to a **performance rate of 11.47%**. CBK accepted **KES 3.90 billion**, with a **Market Weighted Average Rate (WaR)** of **13.4393%** and an **Accepted Bids WaR** of **13.3247%**, while the coupon remained at **12.00%**.

In contrast, the **FXD1/2021/025** issue saw significantly higher demand, attracting **KES 48.54 billion** in bids and posting a **performance rate of 132.83%**. A total of **KES 43.21 billion** was accepted at a **Market WaR** of **13.6430%** and **Accepted Bids WaR** of **13.6199%**, with a coupon rate of **13.924%**. Both bonds attracted broad participation across competitive and non-competitive bids, resulting in a combined bid-to-cover ratio of **1.13–1.18**.

All interest income on the instruments will be subject to the standard **10% withholding tax**. Proceeds from the auction were applied to redemptions, with the balance contributing to new borrowing amounting to **KES 21.91 billion**.

Key Benchmark Rates

Benchmark Rate	Current	Previous	Variance
Central Bank Rate (CBR)	9.00%	9.25%	-0.250%
Month on Month Inflation	4.46%	4.58%	-0.100%
Inter Bank Rate	9.05%	9.58%	-0.190%
91 Day Treasury Bill Rate	7.779%	7.787%	-0.001%
182 Day Treasury Bill Rate	7.800%	7.800%	0.000%
364 Day Treasury Bill Rate	9.2%	9.360%	-0.133%

Source: Central Bank of Kenya (CBK)

For the week ended **10 December 2025**, key benchmark rates reflected easing monetary and liquidity conditions following policy adjustments by the Central Bank of Kenya. The **Central Bank Rate (CBR)** was reduced to **9.00%** from **9.25%**, while the **CBK Discount Window Rate** was lowered to **9.75%** from **10.00%**, signaling a more accommodative policy stance.

Short-term money market conditions improved, with **KESONIA** declining to **9.05%** from **9.25%**, pointing to enhanced liquidity within the interbank market. Yields on government securities at the short end of the curve were broadly stable, with the **91-day Treasury bill rate** easing marginally to **7.779%**, supported by sustained demand for short-term instruments.

In the broader macroeconomic environment, **inflation moderated to 4.46%** from **4.56%** previously, remaining well within the government's target range. Commercial bank **lending rates** were unchanged at **15.07%**, indicating stable credit conditions.

Overall, benchmark indicators point to a stable macro-financial environment, supported by easing policy rates and contained inflation pressures.

2. Money Market Funds (MMF) – Top 10 as of 12th December 2025

Rank	Fund	Daily Yield	Annual Rate
1	Cytonn	11.20%	11.85%
2	Nabo	11.11%	11.75%
3	Lofty_Corban	10.53%	11.07%
4	Kuza	10.10%	10.62%
5	Old Mutual	10.02%	10.51%
6	Madison	9.54%	10.01%
7	Dry Associates	9.37%	9.78%
8	SanlamAllianz	9.07%	9.49%
9	Faulu	9.00%	9.38%
10	ICEA	8.27%	8.62%

Source: Business Daily dated 10.12.2025

3. Exchange Rates

Currency	12/12/2025	5/12/2025	% Change
US Dollar (USD)	129.1631	129.3138	-0.12%
Sterling Pound (GBP)	162.7753	162.5936	0.11%
Euro (EUR)	141.4011	141.1347	0.19%
Japanese Yen (JPY)	87.2796	86.8183	0.53%
Uganda Shilling (UGX)	27.4206	27.4265	-0.02%
Tanzania Shilling (TZS)	18.892	18.8911	0.00%
Rwandese Franc (RWF)	11.2323	11.2338	-0.01%
Burundi Franc (BIF)*	22.7663	22.7735	-0.03%

Source: Central Bank of Kenya

For the week ending **December 12, 2025**, the Kenya Shilling (KES) exhibited broad stability and marginal appreciation against most major international and regional currencies, largely reflecting a calm foreign exchange market environment.

The shilling strengthened slightly against the US Dollar (USD), moving from 129.31 to 129.16, representing a marginal gain of **0.1165%**. The KES also firmed up against the Sterling Pound (GBP) and the Euro (EUR), appreciating by **0.1111%** and **0.1887%** respectively, reversing some of the previous week's depreciation against these currencies.

Regionally, the shilling remained largely flat against East African currencies. It recorded a marginal depreciation against the Uganda Shilling (UGX) by **0.0215%** and the Burundi Franc (BIF) by **0.0312%**, while appreciating slightly against the Tanzania Shilling (TZS) by **0.0048%** and the Rwandese Franc (RWF) by **0.0134%**.

Overall market movements during this week were subdued, pointing to a stable macro-financial environment with contained volatility in the foreign exchange market.

Upcoming: economic releases in the coming week;

- **US Nonfarm Payrolls & Inflation Data**: On Tuesday and Wednesday, an unprecedented amount of US economic data will be released in a short window. This includes the November nonfarm payrolls report, inflation (CPI), and the Philadelphia Fed Index. This data is highly anticipated as the Fed made its recent decisions with incomplete government data due to a prior government shutdown.
- **Global Central Bank Meetings**: G10 central banks are holding policy meetings this week.

4. Commodities & Precious Metals

Commodity / Metal (USD $)	Current Price	Previous Week Close (Dec 8)	% Change (Weekly)
Gold (XAUUSD)	$4,324.00	$4,187.20	3.27%
Silver (XAGUSD)	$62.01	$57.98	6.95%
WTI Crude Oil	$57.73	$58.88	-1.95%
Brent Crude Oil	$61.44	$61.63	-0.31%

Source: *Goldprice.org* & *Investing.com*

Precious metals saw a significant rally in the week ending 12th December 2025, primarily driven by rising expectations for continued Federal Reserve interest rate cuts into 2026, which reduces the opportunity cost of holding non-yielding assets. Silver, in particular, has experienced high volatility and reached new record highs around **$64.67** last week before some profit-taking.

In contrast, crude oil prices have remained under pressure amidst concerns about global demand growth and an ample supply outlook, which has outweighed some of the prior week's gains

5. Crypto Currencies

Crypto	Volume (USD Bn)	Current (USD)	Previous Week Close (USD)	% Change (Weekly)
Bitcoin (BTC)	36.2 Bn	$89,680.00	$92,500.00	-3.05%
Ethereum (ETH)	17.9 Bn	$3,115.00	$3,143.00	-0.90%
Tether (USDT)	66.9 Bn	$1.00	$1.00	0.00%
XRP (XRP)	2.5 Bn	$2.01	$2.03	-0.99%
Binance Coin (BNB)	1.7 Bn	$888.00	$901.00	-1.44%
Solana (SOL)	3.4 Bn	$131.00	$132.00	-0.75%
USD Coin (USDC)	6.8 Bn	$1.00	$1.00	0.00%
Dogecoin (DOGE)	0.9 Bn	$0.14	$0.141	-3.55%
Tron (TRX)	0.5 Bn	$0.28	$0.285	-1.75%
Cardano (ADA)	0.6 Bn	$0.41	$0.42	-2.38%

Source: finance.yahoo.com

Cryptocurrency markets have experienced a challenging week, with most major assets posting losses. The previous week's optimism surrounding the US Federal Reserve's rate cut was quickly dampened by the subsequent "risk-off" environment that has seen investors turn cautious ahead of crucial US inflation and jobs data expected later this week.

Bitcoin, the leading cryptocurrency, has seen increased volatility, struggling to maintain a price above **$90,000**, with some indexes placing it in "Extreme Fear" territory. The market remains highly sensitive to macroeconomic indicators and the performance of risk assets like AI stocks.

6. Derivatives

Trading activity on the Nairobi Securities Exchange (NSE) NEXT derivatives market recorded a notable improvement during the week ended **December 12, 2025**, with total contracts traded increasing significantly from the previous week's subdued level of **1,375 contracts**.

The NSE has announced plans to introduce a **Banking Sector Index Future** on **December 19, 2025**, a development expected to enhance market depth and broaden risk-management options for investors.

The upcoming launch aligns with recent monetary policy easing, following the **Central Bank of Kenya's ninth consecutive policy rate reduction to 9.0%**, aimed at supporting economic growth. The lower interest rate environment is expected to provide a more supportive backdrop for participation across equity and derivatives markets.

In addition, **foreign investors turned net buyers during the period**, indicating a cautious improvement in investor sentiment toward Kenyan financial markets, despite persistent volatility in global markets.

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7. General News.

- **US Fed Cuts Rates:** The US Federal Reserve cut rates by 25 basis points to a target range of 3.50%-3.75%, the third cut this year. The decision was divided (three dissents), leading to mixed market reactions despite a dovish tone.

- **UN Environment Assembly Concludes in Nairobi:** The UN Environment Assembly (UNEA-7) ended in Nairobi, adopting 11 resolutions on managing minerals, combating wildfires, and protecting ecosystems.

- **Kenya Launches Infrastructure Fund:** President Ruto announced a new National Infrastructure Fund to reduce debt dependence and revealed plans for major road projects, including a Nairobi-Thika expressway.

- **High Court Halts Kenya-US Health Data Share:** The High Court temporarily blocked the data-sharing component of the Ksh 200 billion Kenya-US Health Cooperation Framework over sovereignty concerns.

- **EV Market Shifts and AI Concerns:** A major Ford-SK On battery joint venture ended as EV consumer interest declines. Separately, a new poll shows nearly 70% of Americans have used AI, with rising concern over its impact on jobs.

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